Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

1.941
S8L752

CORE LIST

LMS-208

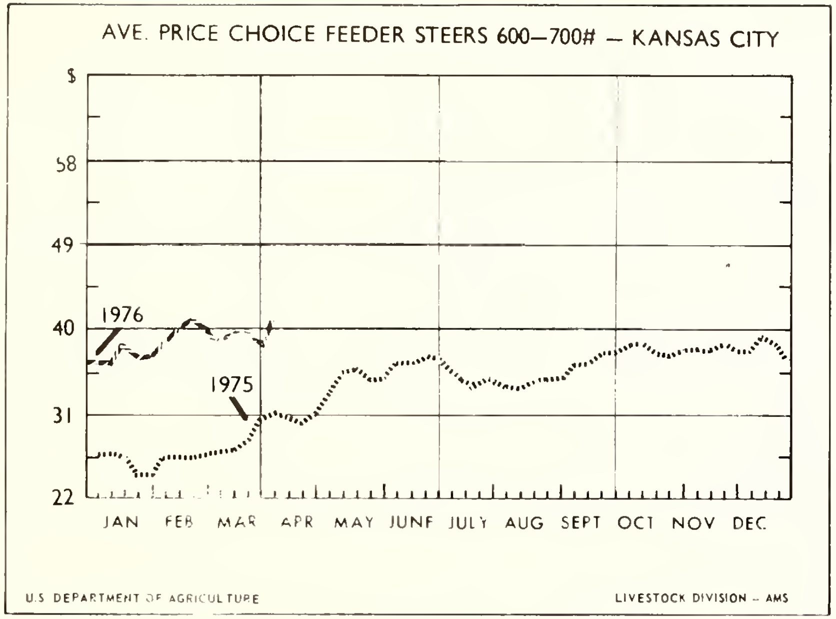
Reserve

APRIL 1976

LIVESTOCK AND MEAT Situation

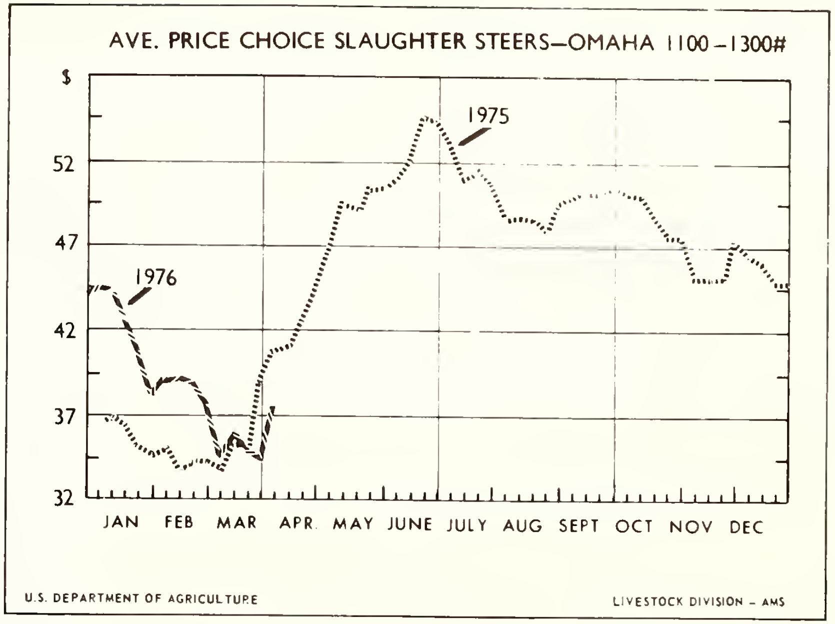
U.S. DEPT. OF AGRICULTURE
NAT'L AGRIC. LIBRARY
MAY 1976
PROCUREMENT SECTION
CURRENT SERIAL RECORDS

ECONOMIC RESEARCH SERVICE • U.S. DEPARTMENT OF AGRICULTURE


AVE. PRICE CHOICE FEEDER STEERS 600—700# — KANSAS CITY

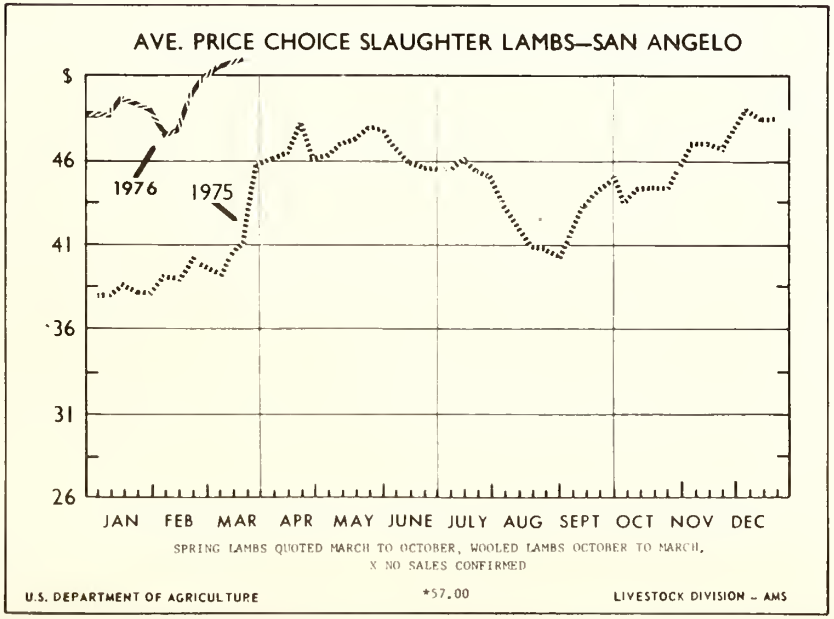
U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION – AMS


AVE. PRICE CHOICE SLAUGHTER STEERS—OMAHA 1100–1300#

U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION – AMS

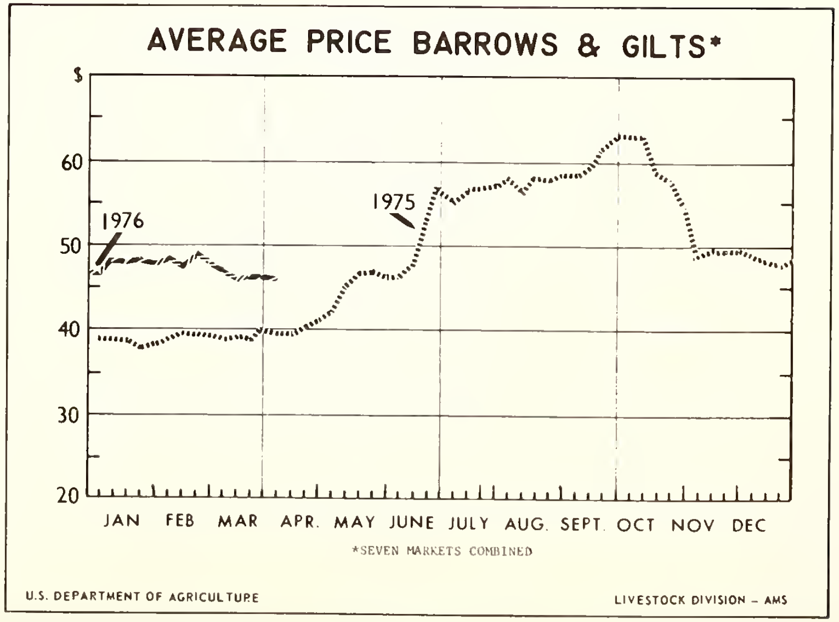

AVE. PRICE CHOICE SLAUGHTER LAMBS—SAN ANGELO

SPRING LAMBS QUOTED MARCH TO OCTOBER, WOOLED LAMBS OCTOBER TO MARCH.
X NO SALES CONFIRMED

*57.00

U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION – AMS


AVERAGE PRICE BARROWS & GILTS*

*SEVEN MARKETS COMBINED

U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION – AMS

LIVESTOCK AND MEAT SITUATION

CONTENTS

Page

Summary 3

Situation and Outlook
  Cattle 5
  Hogs 15
  Sheep and Lambs 22
  Meat Consumption and Prices 25

Special Article:
  The New Beef Carcass Grade Standards 41

List of Tables 47

• • •

Approved by
The Outlook and Situation Board
and Summary released
April 6, 1976

Written by
George Hoffman
Eldon Ball

Commodity Economics Division

Economic Research Service

U.S. Department of Agricutlure
Washington, D.C. 20250

• • •

The *Livestock and Meat Situation* is published in February, April, June, August, October and December.

SUMMARY

Last fall's sharp increase in placements of cattle on feed has produced the largest fed beef supply since the spring of 1974, and continued increases seem certain for the next several months. Nonfed beef production, however, has begun to subside from the record fall levels and further declines appear to be in prospect. Consequently, consumers are finding larger supplies and lower prices for Choice grade beef cuts at retail meat counters this spring, but the days of relatively low-priced hamburger may be numbered.

After favorable returns during most of 1975, cattle feeders fell back into a loss position early this year. Choice steer prices at midwestern markets in mid-March were around $35 per 100 pounds, down some $8-$10 since early January and the lowest level in a year. Fed cattle prices declined under pressure from record slaughter and production early this year, as a surge in fed marketings overlapped a continued high level of cow slaughter.

Meanwhile, cow and feeder cattle prices continued to gain strength through the first quarter, generally reaching their highest levels since the spring of 1974. Demand for replacement cattle for feeding has been strong despite a weakening fed cattle market. Placements of cattle on feed during January and February were down seasonally from last fall but continued well above depressed year-earlier levels. Coupled with the reduced supply of available feeder cattle, this helped raise feeder steer prices to $38-$42 per 100 pounds on most western markets in late March. After being discounted for the past year and a half, lighter weight feeders were generally drawing premium prices, perhaps reflecting longer-term optimism by cattle feeders for a recovery in the fed cattle market.

Fed cattle prices may have reached their low point for the year. Prices began to rise in late March and further strength is expected. Although fed cattle marketings may run a fourth or more above depressed year-earlier levels for the next several months, many signs indicate some optimism by feeders is justified. Fed beef supplies are still below 1972 record levels. Also, seasonal reductions in placements from last fall to winter may

lead to seasonal declines in fed marketings from spring to summer if feeders remain current on marketings. Weather, range and pasture conditions, and prospects for the 1976 grain harvest will play key roles in cattle markets around midyear. If conditions are favorable, cow and nonfed steer and heifer slaughter could drop back to year-earlier levels this spring followed by moderate declines in the second half of the year. In this event, the reduced cow herd and strengthening cow and feeder cattle prices could ease the pressure to continue heavy culling of cow herds. If nonfed slaughter declines as much as now seems likely, seasonal reductions in total beef output could boost fed cattle prices back up into the mid- to upper $40's by late spring and early summer before trending lower again during the fall.

Feed prices and fed cattle prices in the months ahead will be the primary factors influencing feeder cattle markets. The feeder cattle inventory, although smaller than a year ago, is still too large to push feeder animal prices high enough to cover all production costs of most cow-calf operators given the current cost of feed. Any significant declines in cattle feeding later this year or in 1977 because of high feeding costs would likely translate into short-term declines in feeder cattle prices. On the other hand, with adequate feed grain supplies, expected improvement in the fed cattle market, and prospects for no gains or a decline in this year's calf crop, feeder cattle prices will likely continue to gain strength through most of the next 2 years.

Prospects for a sustained turnaround in pork production beginning about midyear were confirmed by the March 1 survey of hog producers in 14 major States. The 15-percent increase in December-February farrowings plus the 10-percent increase now planned for March-May are larger than were indicated last December, and they point to a 10- to 15-percent increase in hog slaughter during the second half of this year. Although returns to hog producers have been unusually favorable for more than a year, producers are still apparently reluctant to aggressively increase output. This may be partly due to the high capital costs required to enter the hog business and the volatility of hog markets over the past 2 years. The 12-percent increase in farrowings now planned for December-May still only regains about half the decline of the same period a year earlier.

Commercial hog slaughter for the year might be up around 3-5 percent from 1975's low level as gains in second half slaughter more than offset first half declines. First quarter hog slaughter ran somewhat larger than earlier expectations but still fell about 7 percent short of a year earlier. Judging from the number of hogs on farms in the heavy weight groups on March 1, April-June slaughter may be down only around 4-6 percent from a year earlier and total somewhat under the first quarter level. Average carcass weights are, however, running above year-earlier levels.

Hog prices held relatively stable through January and February at near $47-$49 per 100 pounds. Weekly increases in hog slaughter in early March lowered prices of barrows and gilts at Omaha to around $46. However, weekly slaughter rates under Federal inspection through April-June may average around 1,250,000 head per week, down from the March level. Although this could lead to a rally in hog prices later this spring, prices seem likely to remain near $50 at the seasonal peak, before trending lower through late summer and fall.

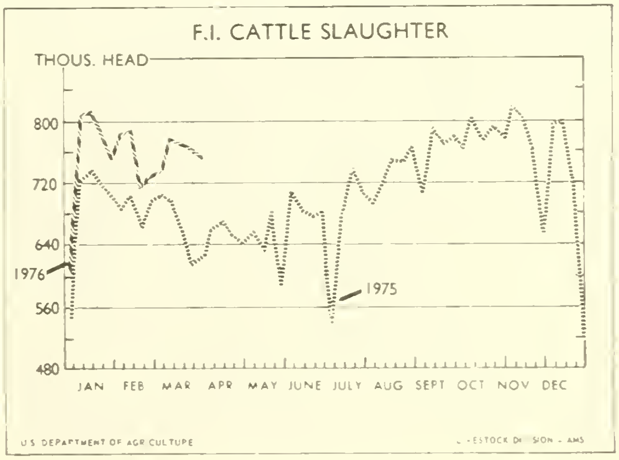
SITUATION AND OUTLOOK

Commercial Meat Production and Livestock Prices

	1974		1975				1976			
	III	IV	I	II	III	IV	I[1]	II[2]	III[2]	IV[2]
Production:										
Beef (mil. lb.)	5,751	6,021	5,833	5,592	5,942	6,297	6,500	6,200	6,100	6,200
Percent change from										
year earlier	+15	+7	+7	-1	+3	+5	+11	+11	+3	-2
previous quarter	+2	+5	-3	-4	+6	+6	+3	-5	-2	+2
Pork (mil. lb.)	3,243	3,431	3,043	2,914	2,512	2,836	2,900	2,800	2,900	3,200
Percent change from										
year earlier	+16	+3	-10	-17	-23	-17	-5	-4	+15	+13
previous quarter	-8	+6	-11	-4	-14	+13	+2	-3	+4	+10
Lamb and Mutton (mil. lb.)	118	108	101	96	104	98	94	90	95	95
Percent change from										
year earlier	-8	-12	-15	-12	-12	-9	-7	-6	-9	-3
previous quarter	+8	-8	-6	-5	+8	-6	-4	-4	+6	0
Veal (mil. lb.)	121	154	165	182	232	248	210	160	140	120
Percent change from										
year earlier	+66	+93	+99	+117	+92	+61	+27	-12	-40	-52
previous quarter	+44	+27	+7	+10	+27	+7	-15	-24	-12	-14
Total Red Meat (mil. lb.)	9,233	9,714	9,142	8,784	8,790	9,479	9,704	9,250	9,235	9,615
Percent change from										
year earlier	+16	+6	+1	-6	-5	-2	+6	+5	+5	+1
previous quarter	-1	+5	-6	-4	0	+8	+2	-5	0	+4
					$ per cwt.					
Prices:										
Choice steers, Omaha 900-1100 lb.	43.91	38.19	35.72	48.03	48.64	46.04	38.71	43-45	46-48	44-46
Barrows & gilts, 7 markets	36.59	39.06	39.35	46.11	58.83	52.20	48.00	47-49	46-48	42-44
Slaughter lambs, 5 markets	37.97	36.71	40.28	46.89	42.51	45.03	49.43	51-53	48-50	46-48

[1] Preliminary. [2] Forecast.

CATTLE



After several months of positive returns during 1975, most cattle feeders fell back into a loss position early this year, following the sharp buildup in cattle-on-feed inventories late last year and the subsequent decline in fed cattle prices. Substantial increases in fed cattle marketings this past winter, plus a continued high level of cow slaughter, boosted total cattle slaughter to record levels during some weeks early this year. Also, more fed cattle in the slaughter mix have further increased beef tonnage. Choice steer prices fell $8-$10 per 100 pounds between the beginning of the year and mid-March, largely reflecting the turnaround in fed beef supplies. Declining fed cattle prices also came

Table 1—Beef supplies and prices

	Commercial cattle slaughter[1]									Prices			
	Steers and heifers			Cows	Bulls and stags	Total	Average dressed weight	Commercial production	Per capita consumption[2]	Retail	Choice Feeders 600-700 lb. Kansas City	Choice Steers Omaha 900-1100 lb.	Farm
	Fed	Non-fed	Total										
	1,000 head	*1,000 head*	*1,000 head*	*1,000 head*	*1,000 head*	*1,000 head*	*Lb.*	*Mil. lb.*	*Lb.*	*Cent/ lb.*	*$/cwt.*	*$/cwt.*	*$/cwt.*
1971: I	6,380	572	6,952	1,500	135	8,587	619	5,300	27.7	100.2	33.57	31.06	27.93
II	6,480	687	7,167	1,586	164	8,917	612	5,445	28.1	104.8	34.50	32.54	29.17
III	6,820	666	7,486	1,614	179	9,279	602	5,574	29.3	105.4	34.84	32.71	29.00
IV	6,380	592	6,972	1,675	155	8,802	613	5,378	27.9	106.6	36.57	33.27	29.83
Year	26,060	2,517	28,577	6,375	633	35,585	611	21,697	113.0	104.2	34.87	32.39	29.00
1972: I	6,630	402	7,032	1,518	148	8,698	619	5,370	28.2	114.4	38.47	35.71	32.40
II	6,930	452	7,382	1,474	166	9,022	619	5,566	28.9	112.3	40.30	36.04	33.33
III	7,140	223	7,363	1,472	180	9,015	618	5,559	29.4	115.3	42.46	36.26	34.07
IV	6,970	395	7,365	1,528	151	9,044	635	5,723	29.6	113.2	44.36	35.12	34.07
Year	27,670	1,472	29,142	5,992	645	35,779	623	22,218	116.1	113.8	41.40	35.78	33.50
1973: I	6,770	146	6,916	1,590	156	8,662	624	5,393	28.0	129.2	50.77	43.28	40.80
II	6,470	86	6,556	1,434	165	8,155	621	5,049	26.2	135.8	53.74	45.84	43.43
III	6,080	204	6,284	1,533	180	7,997	625	4,998	26.8	141.8	57.98	48.57	47.67
IV	6,570	437	7,007	1,691	175	8,873	638	5,648	28.6	135.1	50.20	40.47	40.00
Year	25,890	873	26,763	6,248	676	33,687	626	21,088	109.6	135.5	53.17	44.54	42.80
1974: I	6,100	560	6,660	1,689	165	8,514	638	5,434	28.3	145.1	47.78	45.46	42.83
II	6,430	817	7,247	1,391	179	8,817	639	5,638	28.8	134.5	39.80	40.01	36.37
III	5,680	1,526	7,206	1,913	244	9,363	614	5,751	29.4	141.0	34.64	43.91	34.97
IV	5,670	1,695	7,365	2,521	232	10,118	595	6,021	30.3	134.5	29.31	38.19	28.83
Year	23,880	4,598	28,478	7,514	820	36,812	621	22,844	116.8	138.8	37.88	41.89	35.60
1975: I	5,690	1,602	7,292	2,221	207	9,720	600	5,833	30.3	129.6	27.39	35.72	27.43
II	5,200	1,653	6,853	2,419	276	9,548	586	5,592	28.4	146.5	34.67	48.03	35.60
III	5,190	1,911	7,101	3,124	315	10,540	564	5,942	30.2	156.4	35.54	48.64	34.70
IV	5,120	1,883	7,003	3,786	303	11,092	568	6,297	31.2	151.4	38.06	46.05	34.03
Year	21,200	7,049	28,249	11,550	1,101	40,900	579	23,664	120.1	146.0	33.91	44.61	32.94
1976:[3] I	6,450	1,438	7,888	2,808	244	10,940	594	6,500	32.8	142.6	39.19	38.71	33.77
II													
III													
IV													
Year													

[1] Classes estimated. [2] Total including Farm Production. [3] Estimated.

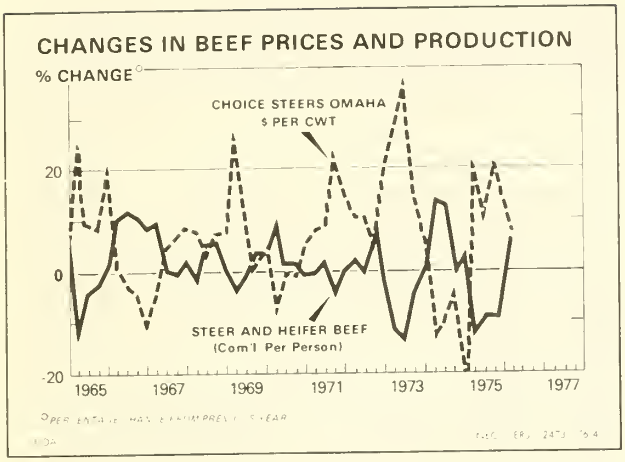
at a time when the cost of feeding cattle was rising, reflecting higher feed costs and the rising price of replacement cattle since last summer.

Fed cattle prices may have reached their low point for the year, even though fed beef output will likely continue at a higher level through most of the next several months. Barring weather-related problems, cow slaughter and marketings of other nonfed cattle seem likely to trend significantly lower as the year progresses, reflecting the reduced inventories and stronger prices for these classes of cattle. If rising consumer incomes generate further growth in demand for beef and if the nonfed beef supply declines as much as expected, fed cattle prices could reach seasonal peaks in the upper $40's, perhaps $50, sometime during the summer, before trending lower again during the fall months. Further price strength for all classes of cattle, particularly feeder cattle and cows, appears likely for 1977.

Beef Output Record Large

January-March commercial cattle slaughter will total near 10.9 million head, over 12 percent above a year earlier and only marginally smaller than fourth quarter 1975's record 11.1 million. First quarter cow slaughter may reach 2.8 million head, still a fourth above a year earlier but about a million fewer than in October-December 1975.

While the level of cow slaughter continues to be critical to the overall beef supply and price situations, the substantial turnaround in the supply of fed beef dominated the fed cattle market for the first 3 months this year. The mid-April 23-State

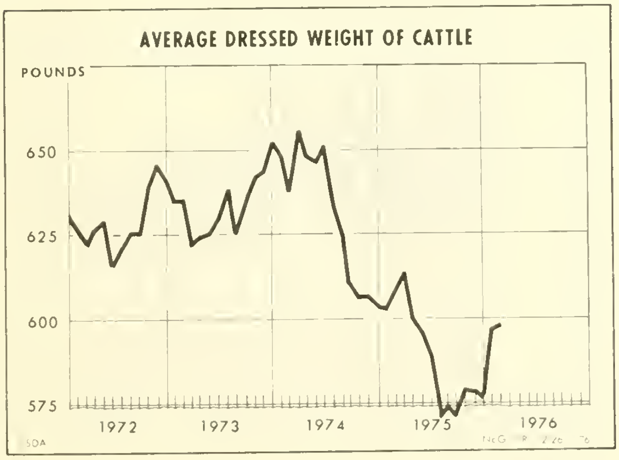


7 States Cattle on Feed

	1974	1975	1976	1976/ 1975
	1,000 head	*1,000 head*	*1,000 head*	*Percent change*
On feed Feb. 1	9,632	6,050	8,353	+38
Ariz.	620	308	499	+62
Calif.	1,147	585	902	+54
Colo.	945	710	865	+22
Iowa	1,835	1,250	1,560	+25
Kans.	1,195	880	1,320	+50
Nebr.	1,550	1,080	1,310	+21
Tex.	2,340	1,237	1,897	+53
Placed Feb.	1,070	806	1,401	+74
Ariz.	55	54	54	0
Calif.	112	69	161	+133
Colo.	144	141	201	+43
Iowa	198	172	218	+27
Kans.	118	100	210	+110
Nebr.	191	136	264	+94
Tex.	252	134	293	+119
Marketed Feb.	1,340	1,316	1,517	+15
Ariz.	71	54	68	+26
Calif.	162	158	172	+9
Colo.	135	162	178	+10
Iowa	270	230	220	-4
Kans.	175	175	275	+57
Nebr.	265	250	260	+4
Tex.	262	287	344	+20
Other disappearance	114	59	116	+97
Ariz.	7	4	13	+225
Calif.	33	20	37	+85
Colo.	15	4	13	+225
Iowa	23	12	8	-33
Kans.	8	5	5	0
Nebr.	16	6	4	-33
Tex.	12	8	36	+350
On feed Mar. 1 ...	9,248	5,481	8,121	+48
Ariz.	597	304	472	+55
Calif.	1,064	476	854	+79
Colo.	939	685	875	+28
Iowa	1,740	1,180	1,550	+31
Kans.	1,130	800	1,250	+56
Nebr.	1,460	960	1,310	+36
Tex.	2,318	1,076	1,810	+68

Cattle on Feed Report will provide more information about the first quarter fed beef supply. But the January and February seven States reports indicated feeders in the 23 States probably matched or exceeded earlier intentions to market 6.2 million fed cattle during the first quarter—a 25-percent increase from the October-December 1975 level. Fed cattle during January-March likely made up about 60 percent of total slaughter, the highest proportion in a year and nearly 15 percentage points higher than last fall.

Beef production through the first 3 months of 1976 was larger, and fed cattle prices moved lower, than expected earlier. January-March commercial beef production will be a record and may total about 6.5 billion pounds. This is up about 3 percent from last fall—the previous record quarter—and about 11 percent over a year earlier. Part of the reason for large gains in March was due to the increase in the number of slaughter days this year, but much of the unexpected increase in output resulted from a substantial turnaround in average slaughter weights. After declining 30-35 pounds per carcass on the average between the beginning and the end of 1975, virtually all the decline was regained in the first quarter of this year. Average carcass weights of commercially slaughtered cattle during January-March will run near 595 pounds, up almost 30 pounds from the fourth quarter and only marginally below a year earlier. Most of the increase in average weights was due to the shift in the slaughter mix toward more and heavier fed cattle, but cow weights are also up seasonally about 30 pounds from last summer's lows.



Fed cattle prices have been trending generally lower since June 1975, sliding from $53 per 100 pounds to near $45 by the end of the year as beef production grew to record proportions. The $8 decline in fed cattle prices during the second half of 1975 demonstrated the importance of nonfed slaughter on the fed cattle market, since fed cattle marketings in the last half of the year fell to their lowest level since 1966.

Choice steer prices per 100 pounds, Omaha[1]

Month	1971	1972	1973	1974	1975	1976
	Dol.	*Dol.*	*Dol.*	*Dol.*	*Dol.*	*Dol.*
January	29.10	35.63	40.65	47.14	36.34	41.18
February ...	32.18	36.32	43.54	46.38	34.74	38.80
March	31.89	35.17	45.65	42.85	36.08	36.14
April	32.41	34.52	45.03	41.53	42.80	
May	32.86	35.70	45.74	40.52	49.48	
June	32.35	37.91	46.76	37.98	51.82	
July	32.44	38.38	47.66	43.72	50.21	
August	33.10	35.70	52.94	46.62	46.80	
September ..	32.58	34.69	45.12	41.38	48.91	
October	32.22	34.92	41.92	39.64	47.90	
November ...	33.30	33.59	40.14	37.72	45.23	
December ...	34.28	36.85	39.36	37.20	45.01	
Average	32.39	35.78	44.54	41.89	44.61	

[1] 900-1,100 lb.

Under pressure from the largest beef supply on record, fed cattle prices continued the downward trend through the first quarter of 1976. Choice steer prices at Omaha fell $8-$10 between January and mid-March to near $34-$35 per 100 pounds, the lowest in a year. Prices through February and March were below prices required by many cattle feeders to cover their feed and feeder cattle costs.

While fed cattle prices fell, cow prices registered significant gains, reflecting the shift in the slaughter mix and the seasonal downturn in cow beef production. Utility cow prices at Omaha in late March topped $29 per 100 pounds, the highest since the spring of 1974 and a gain of around $6 from January. The $8 spread between Choice steers and Utility cows at Omaha in mid-March was the narrowest since 1973, when processing beef was in relatively tight supply. On midwest wholesale markets, Canner and Cutter cow beef carcasses were selling at over $57 per 100 pounds, the highest in 2 years and only slightly less than Choice steer beef.

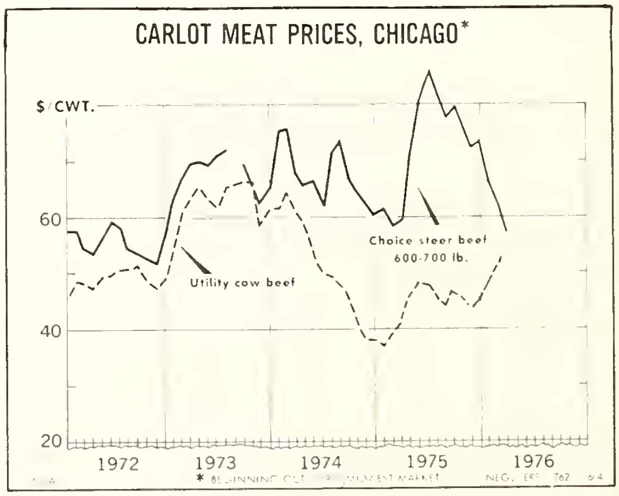
Utility cow prices per 100 pounds, Omaha

Month	1971	1972	1973	1974	1975	1976
	Dollars	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*
January	19.98	22.61	26.67	31.45	16.82	23.26
February ...	20.98	23.80	31.43	32.65	18.18	25.90
March	22.03	24.73	33.90	31.76	19.45	27.45
April	21.48	24.70	33.59	30.49	21.67	
May	22.30	25.51	34.26	27.67	23.55	
June	22.03	26.00	33.09	26.39	23.32	
July	21.68	26.22	34.21	24.22	22.00	
August	21.72	26.18	37.56	24.54	21.29	
September ..	21.84	26.57	34.58	22.56	22.45	
October	22.30	26.19	33.68	19.68	22.01	
November ...	21.45	24.98	30.71	17.62	20.73	
December ...	21.64	25.02	30.10	17.67	21.64	
Average ...	21.62	25.21	32.82	25.56	21.09	

Beef Demand Situation

In a long-term perspective, fed beef supplies are not large, and processing beef supplies are second only to last fall's record level. At least some of the decline in fed cattle prices and the narrowing of price spreads between cows and steers has been due to the abrupt reversal in the composition of cattle slaughter. For the past 2 to 3 years the slaughtering, marketing, distributing, and retailing systems have been gearing up to move successively larger supplies of nonfed beef and reduced supplies of fed beef through marketing channels. Estimated cow beef production in 1975 was 76 percent larger than in 1972, while steer beef production fell 11 percent. Estimates of fed steer and heifer beef production show a 22-percent decline between 1972 and 1975.

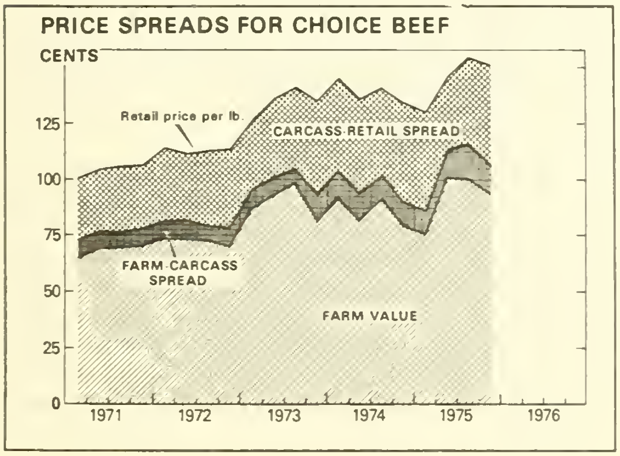
Before the marketing system could adjust to the surge in nonfed beef production, particularly around mid-1974, fed cattle prices rose sharply while cow prices dropped. Price spreads at wholesale between Choice steer beef and cow beef were more than $40 per 100 pounds in mid-1975. But the marketing and distribution systems eventually adjusted to the changed proportion of nonfed beef in the slaughter mix. Some packers that typically only slaughter fed cattle began slaughtering cows to augment fed cattle supplies in an effort to maintain slaughter rates. On the retail side, stores began promoting nonfed beef under various brand names. By the end of last year, price spreads at wholesale between cow beef and steer beef began to narrow even though nonfed beef production grew



record large and fed beef production continued to decline. Retail prices eventually reflected the shift in the beef supply. Steaks and other Choice grade beef cuts rose to record price levels last year, while hamburger at retail fell 10 cents a pound, averaging the lowest since 1972. Considering the impact of inflation on consumer incomes and prices for pork and other meat, low-priced hamburger became an attractive buy for consumers.

In many respects, price levels and differentials between grades and classes of beef early this year were a reversal of the situation of mid-1974 and mid-1975 when fed cattle prices rose sharply and price spreads between fed and nonfed cattle became unusually large. In addition to the changes in beef availability, the wide price spreads were partly due to the length of time required for changes in live animal prices to be fully reflected at retail, which then eventually generates a shift in consumer demand among specific cuts of beef. In February and March, low fed cattle prices and relatively high cow prices reflected the substantial shift in fed and nonfed beef supplies without an immediate and corresponding shift in demand between fed and nonfed beef.

Retail price adjustments between cuts of beef began in February and March with lower-trending prices for Choice beef, which declined to the lowest levels in a year at around $1.36 per pound. Even so, hamburger was still also relatively low priced. Many retail stores stepped up efforts through February and March to merchandise Choice beef which may help encourage a shift in purchasing patterns. When recent live animal prices are more fully reflected at retail in the form of sharper increases in hamburger prices or lower prices for Choice cuts, the resulting shift in consumer expenditures may tend to bolster fed cattle prices, and perhaps ease some of the upward price pressure on cows and cow beef. This would tend to produce wider spreads between fed and nonfed cattle and wholesale beef in the months ahead.


PRICE SPREADS FOR CHOICE BEEF

Beef Grades Changed

After almost a year of delay due to extensive litigation, the revised beef grade standards were implemented by USDA on February 23. There are four major changes included in the new standards:

(1) All beef carcasses graded are now graded for both quality and yield. Under the old standards, carcasses were graded for either quality or yield, or both.

(2) Conformation (shape of carcass) was eliminated as a factor in determining the quality grade.

(3) Marbling requirements were reduced slightly for the Prime, Choice, and Standard grades. Previously, increased marbling was required to compensate for increased maturity. Now the minimum amount of marbling in the Prime, Choice, and Standard grades of beef from cattle up to about 30 months of age is the same as that previously specified in each of these grades for the very youngest beef produced.

(4) The U.S. Good grade was redesigned to make it much more restrictive and more consistent in eating quality.

The overall impact of the new grading system on fed cattle prices is difficult to discern in the short term, considering the substantial changes in the supply of fed and nonfed beef which were taking place at the time of the change. Choice grade fed cattle prices fell from around $44 per 100 pounds in early January to $35 in mid-March. Over half of the price decline occurred prior to the change in grading standards.

Most of the decline in fed cattle prices since the beginning of the year likely was due to increased numbers of fed cattle. Weekly fed cattle slaughter data are not available, but judging from average slaughter weights and the increased proportion of steers in the slaughter mix, fed beef supplies during late February and early March probably were large. This corresponds to the surge in placements of cattle on feed last September and October.

Cattle feeders marketing heavy, Choice yield grade 4 or 5 fed cattle just prior to and immediately following the grade change were especially hard hit because of the $4-$8 per 100 pound discounts placed on these cattle, further increasing their losses. However, during the second week the revised grades were in effect, discounts on these cattle were back in the range of $2-$3 and more nearly reflected differences in retail value.

Larger beef supplies and generally declining prices usually lead to some backup in feedlots, resulting in overfinished cattle. Many of these overfinished carcasses may not have been yield graded under the old standards. The revised standards did not change the supply of yield grade 4 and 5 carcasses, but they did result in more of these carcasses being specifically identified, and may have contributed to some temporary uncertainty in the marketing system.

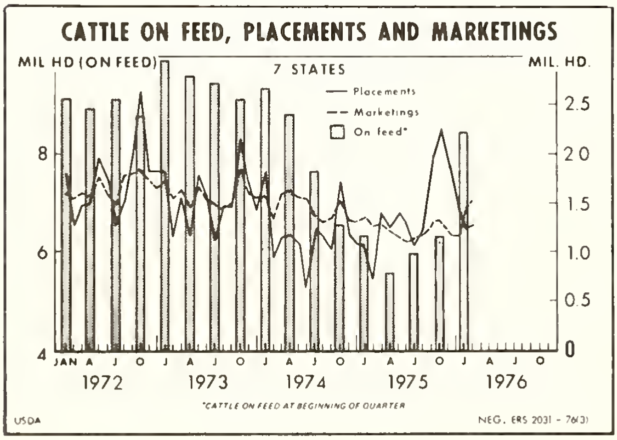
Most of the decline in fed cattle prices can be largely explained in terms of slaughter numbers, but the new grading system may have been a contributing factor in the short run. The new grades did not affect the amount and quality of beef on the market, but they did change definitions and they identified beef in more detail.

Given the recent beef supply situation, implementation of the new grades did not occur at the most opportune time. The change in requirements for beef to meet the Choice grade may have increased the number of carcasses grading Choice by 10 percent or more on top of an already increased supply due to the pickup in cattle feeding. If the new standards had been placed into effect a year ago, as originally planned, the price impact of the change might have been much less, since fed cattle were in short supply, especially heavy fed cattle. However, because of extensive litigation, USDA had little latitude in selecting an appropriate time to implement the new grades.

Apparently the new grading system is working as intended, by encouraging production of leaner fed beef by using less grain. In the longer run, this will result in cost savings by reducing the length of time on feed required to meet Choice quality.

Placements Continue Large

Apparently the decline in fed cattle prices and losses to feeders early this year did little to discourage the level of cattle feeding. Although down seasonally from last fall, placements of cattle on feed in seven States during January and February ran 19 and 74 percent, respectively, above depressed year-earlier levels. After adjusting for "other disappearance" in February, net placements in the seven States were 1,285,000 head, record large for the month of February and even higher than January's placement level. Much of the early-year increases were in those States with the larger-scale feeding operations. Sharpest year-to-year increases in placements during January and February were in Texas, California, and Kansas. Placements during January and February in Iowa were not up as much as in the other States, perhaps indicating a greater response by smaller-scale operators to short-term price changes and losses.


CATTLE ON FEED, PLACEMENTS AND MARKETINGS

Estimated Commercial Cattle Slaughter by Class

Year and quarter	Steers & heifers		Cows	Bulls and Stags
	Fed	Nonfed		
	Percent of Total			
1973				
I	78.2	1.7	18.3	1.8
II	79.3	1.1	17.6	2.0
III	76.0	2.5	19.2	2.3
IV	74.1	4.9	19.0	2.0
Year	76.9	2.6	18.5	2.0
1974				
I	71.7	6.6	19.8	1.9
II	72.9	9.3	15.8	2.0
III	60.7	16.3	20.4	2.6
IV	56.1	16.7	24.9	2.3
Year	64.9	12.5	20.4	2.2
1975				
I	58.5	16.5	22.9	2.1
II	54.5	17.3	25.3	2.9
III	49.3	18.1	29.6	3.0
IV	46.2	17.0	34.1	2.7
Year	51.9	17.2	28.2	2.7
1976[1]				
I	59.0	13.1	25.7	2.2
II				
III				
IV				
Year				

[1] Preliminary.

The March 1 cattle-on-feed inventory totaled 8.1 million, up 48 percent from the unusually low level a year earlier, and the largest for that date since 1974. As with placements, the sharpest year-to-year gains in inventories were reported in California, Texas, and Kansas.

The surprisingly heavy level of placements early this year in the face of declining prices and reported losses may be due to several factors. Many of the larger feedlots have a strong incentive to keep up turnover rates. Higher levels of fed cattle marketings, in turn, tend to generate a greater demand for replacement cattle. With summer and fall fed cattle futures contracts selling at nearly $10 over February and March cash prices, some optimism for a recovery in the fed

7 States Cattle on Feed, Placements and Marketings

Year	On feed	Change, previous year[1]	*Placements	Change, previous year	Marketings	Change, previous year
	1,000 head	*Percent*	*1,000 head*	*Percent*	*1,000 head*	*Percent*
1972						
Jan. . . .	9,110	+10.8	1,785	+1.4	1,602	+0.9
Feb. . . .	9,293	+9.5	1,268	+15.0	1,540	+10.4
Mar. . . .	9,021	+10.1	1,485	-0.2	1,572	-0.6
Apr. . . .	8,934	+12.7	1,492	+6.6	1,546	+4.0
May . . .	8,880	+10.9	1,953	+22.9	1,758	+17.2
June . .	9,075	+12.0	1,721	+23.7	1,679	+5.2
July . . .	9,117	+17.3	1,277	+4.0	1,480	-5.2
Aug. . .	8,914	+18.0	1,549	+1.3	1,782	+8.8
Sept. . .	8,681	+16.7	1,893	-4.6	1,794	+4.9
Oct. . . .	8,780	+15.1	2,638	+8.2	1,840	+13.1
Nov. . .	9,578	+13.5	1,833	-3.8	1,735	+13.1
Dec. . . .	9,676	+9.8	1,836	+5.9	1,628	+13.4
1973						
Jan. . . .	9,884	+8.5	1,830	+2.5	1,721	+7.4
Feb. . . .	9,993	+7.5	1,183	-6.7	1,541	+0
Mar. . . .	9,635	+6.8	1,563	+5.3	1,623	+3.2
Apr. . . .	9,575	+7.2	1,186	-20.5	1,440	-6.9
May . . .	9,321	+5.0	1,785	-8.6	1,688	-4.0
June . .	9,418	+3.8	1,596	-7.3	1,557	-7.3
July . . .	9,457	+3.7	1,133	-11.3	1,498	+1.2
Aug. . .	9,092	+2.0	1,469	-5.2	1,410	-20.9
Sept. . .	9,151	+5.4	1,446	-23.6	1,490	-16.9
Oct. . . .	9,107	+3.7	2,133	-19.1	1,773	-3.6
Nov. . .	9,467	-1.2	1,647	-10.1	1,639	-5.5
Dec. . . .	9,475	-2.1	1,411	-23.1	1,533	-5.8
1974*						
Jan. . . .	9,353	-5.4	1,837	+0.4	1,558	-9.5
Feb. . . .	9,632	-3.6	956	-19.2	1,340	-13.0
Mar. . . .	9,248	-4.0	1,132	-27.8	1,577	-2.8
Apr. . . .	8,803	-8.1	1,177	-0.8	1,629	+13.1
May . . .	8,351	-10.4	1,085	-39.2	1,551	-8.1
June . .	7,885	-16.3	801	-49.8	1,540	-1.1
July . . .	7,146	-24.4	1,218	+7.5	1,357	-9.4
Aug. . .	7,007	-22.9	1,149	-21.8	1,301	-7.7
Sept. . .	6,855	-25.1	1,041	-28.0	1,324	-11.1
Oct. . . .	6,572	-27.8	1,741	-18.4	1,517	-14.4
Nov. . .	6,796	-28.2	1,168	-29.1	1,338	-18.4
Dec. . . .	6,626	-30.1	1,091	-22.7	1,348	-12.1
1975*						
Jan. . . .	6,369	-31.9	1,053	-42.7	1,372	-11.9
Feb. . . .	6,050	-37.2	747	-21.9	1,316	-1.8
Mar. . . .	5,481	-40.7	1,448	+27.9	1,331	-15.6
Apr. . . .	5,598	-36.4	1,266	+7.6	1,275	-21.7
May . . .	5,589	-33.1	1,424	+31.2	1,172	-24.4
June . .	5,841	-25.9	1,313	+63.9	1,148	-25.5
July . . .	6,006	-16.0	1,090	-10.5	1,164	-14.2
Aug. . .	5,932	-15.3	1,230	+7.0	1,213	-6.8
Sept. . .	5,949	-13.2	2,005	+92.6	1,298	-2.0
Oct. . . .	6,656	+1.3	2,228	+28.0	1,307	-13.8
Nov. . .	7,577	+11.5	1,864	+59.6	1,189	-11.1
Dec. . . .	8,252	+24.5	1,483	+35.9	1,202	-10.8
1976*						
Jan. . . .	8,533	+34.0	1,282	+21.7	1,462	+6.6
Feb. . . .	8,353	+38.1	1,285	+72.0	1,517	+15.3
Mar. . . .	8,121	+48.2				

*Other disappearance subtracted to make comparable with previous years.

cattle market would also seem to be justified. August and October futures in late March were selling at near $45 per 100 pounds and might allow many feeders to at least lock in a break-even position for cattle placed during February and March.

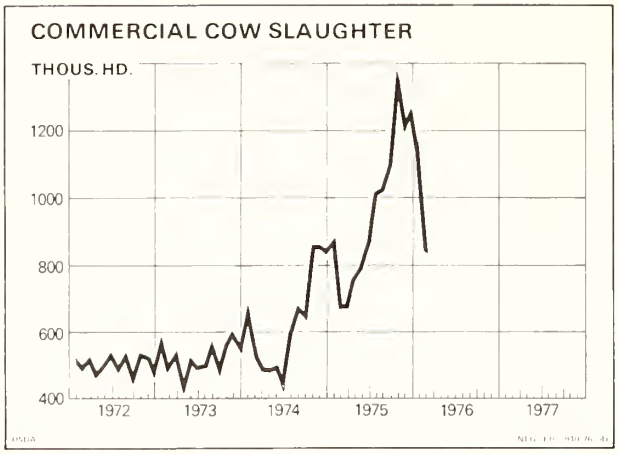
Some of the increase in placements early this year may have been due to forced movement of feeder cattle because of dry conditions and poor wheat pasture grazing in California and the Plains States. However, the relative strength in feeder cattle markets through January and February wouldn't indicate that forced movement was the strongest factor in the placement rate. Moisture conditions in these areas have improved somewhat and may be less of a factor in placements during the next few months.

Fed Cattle Prices to Rise

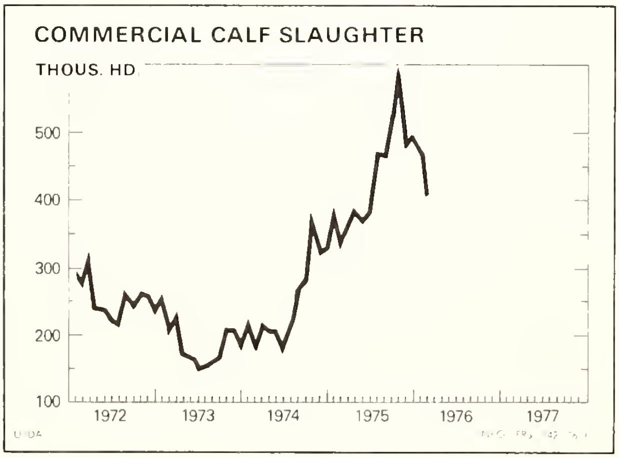
Although substantial year-to-year increases in fed beef output appear to be in prospect for the remainder of 1976, fed cattle prices turned higher in late March and several signs point to continued price strength through much of the spring and early summer. The bulk of the expected price strength is based on the strong probability of significant seasonal reductions in cattle slaughter and total beef production later this year from record first quarter levels. Spring and summer grazing conditions will be an important factor influencing the level of nonfed slaughter. The reduced inventories and rising prices of feeder cattle likely will moderately reduce the number of cows moving to slaughter this spring and summer compared to January-March.

The April Cattle On Feed Report will shed some light on spring and summer fed beef supplies. But judging from the number of cattle on feed by weight groups on January 1 and from placements early this year, fed marketings during the spring and summer will run 20-30 percent above last year's low level. Even so, monthly marketings during April-June may not be significantly larger than in March and should decline seasonally during the summer. Typically, fed marketings decline from the second to the third quarter, reflecting seasonal reductions in placements from fall to winter. This pattern now seems likely this year as long as feeders remain current on marketings through the spring.

Again, cow slaughter will be an important factor in the total beef supply situation. Dry weather that forces movement of cows to market or a break in the feeder cattle market could keep nonfed slaughter high through the summer, limiting price advances for fed cattle. But with cow



prices in March running nearly $10 per 100 pounds above a year ago, feeder steer prices up $10-$12, and feeder calf prices $12-$14 higher, the pressure to cull cows and market nonfed cattle is significantly reduced. With a smaller herd from which to cull and a reduced rate of culling, cow slaughter could fall back to year-earlier levels this spring—followed by substantial reductions in the last half of the year. Later in the year, declines in nonfed slaughter may more than offset the larger number of fed cattle. A bigger proportion of fed cattle in the mix, however, will keep average weights up and hold total beef output relatively large. For the remainder of 1976, percentage increases in beef production will be larger than percentage increases in slaughter.



Cattle slaughter and beef production during January-March may have been the highest for any quarter this year as the surge in fed marketings overlapped with continued high cow slaughter. If weather conditions allow and nonfed slaughter declines as much as now seems likely, total slaughter will run 6-10 percent above year-earlier levels through midyear, but could run below year-earlier levels during the second half.

Other factors which may contribute to price strength in fed cattle markets include:

(1) Stronger overall consumer demand as the economy continues to recover from pressures of inflation and unemployment.

(2) Some increase in demand for Choice grade beef as rising hamburger prices and lower prices for fed beef products result in some shift in meat expenditures from nonfed to fed beef.

(3) Stronger seasonal demand for beef during the spring and summer, relative to winter, due to cook-out demand. This should be particularly true this year as the squeeze on consumer incomes further subsides.

(4) Longer-run impact of grade change. Discounts on overfinished cattle will tend to produce an incentive to keep current on fed cattle marketings, thereby holding down average weights of fed cattle. Also, if the grade change caused confusion in beef markets due to changes in labeling, then this may be a price-strengthening factor when these uncertainties are resolved and worked through the system.

(5) Increased movement of fed cattle to Canada for slaughter. Prices for Canadian A-1 and A-2 fed cattle during March were running $37-$42 per 100 pounds, a large enough differential from U.S. markets to stimulate movement north. According to Canadian import statistics, Canadians may have bought 5-10 thousand fed cattle per week during March, primarily from midwestern markets. Slaughter cattle movement to Canada through late March totaled over 36 thousand head.

Compared with fed cattle marketings during 1971-1973, current fed marketings are not large. A 20-25 percent increase in fed marketings expected for 1976 would still be no more than in 1973, and fewer than in 1972. Back in 1973, markets accommodated fed beef supplies larger than the current supply at prices well over $40 per 100 pounds. Despite the substantial boost in fed beef output during January-March and a 10-12 percent increase in total beef production, Choice steers during January-March averaged around $3 over year-earlier levels.

Feeder Cattle Prices Strong

Feeder cattle markets continued to gain price strength during early 1976, reflecting greater demand for replacement cattle. Prices generally rose during January and February despite the drop in fed cattle prices. Much of the strength has been in lighter-weight feeder cattle, perhaps indicating longer-term optimism by feeders for a recovery in the fed cattle market later in the year.

Table 2—Corn Belt Cattle Feeding

Selected expenses at current rates[1]

Purchased during Marketed during	Dec. June	Jan. 75 July	Feb. Aug.	Mar. Sept.	Apr. Oct.	May Nov.	June Dec.	July Jan. 76	Aug. Feb.	Sept. Mar.	Oct. Apr.	Nov. May	Dec. June	Jan. 76 July	Feb. Aug.	Mar. Sept.
	Dollars per head	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*
Expenses:																
600 lb. feeder steer	169.62	158.70	161.76	172.50	190.14	213.00	220.86	208.20	206.04	225.54	228.54	229.56	226.98	224.76	242.52	238.14
Transportation to feedlot (400 miles)	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28	5.28
Corn (45 bu.)	147.60	137.70	128.70	121.05	120.60	119.70	120.60	122.40	133.20	124.20	115.20	104.40	105.30	108.90	111.60	112.50
Silage (1.7 tons)	41.62	40.17	38.05	37.11	37.23	36.70	35.68	35.12	37.93	36.86	35.36	33.46	34.20	35.02	35.87	35.77
Protein supplement (270 lb.)	25.38	24.57	23.22	22.14	22.95	22.82	22.82	22.82	23.76	24.30	24.84	23.36	23.62	23.62	23.62	23.62
Hay (400 lb.)	9.80	10.10	9.80	10.16	10.30	10.05	9.20	8.70	9.10	9.55	9.70	9.80	10.20	10.30	10.55	10.35
Labor (4 hours)	9.84	9.52	9.52	9.52	8.40	8.40	8.40	8.76	8.76	8.76	9.80	9.80	9.80	9.80	10.24	10.24
Management[2]	4.92	4.76	4.76	4.76	4.20	4.20	4.20	4.38	4.38	4.38	4.90	4.90	4.90	4.90	5.12	5.12
Vet medicine[3]	2.91	2.90	2.89	2.88	2.92	2.95	2.97	2.99	3.00	3.03	3.03	3.03	3.04	3.10	3.11	3.12
Interest on purchase (6 mo.)	8.90	8.33	8.49	9.06	9.51	10.65	11.04	10.41	9.79	10.71	10.86	10.33	10.21	10.11	10.91	10.72
Power, equip, fuel, shelter, depreciation[3]	13.44	13.52	13.48	13.42	13.61	13.74	13.85	13.94	14.01	14.14	14.12	14.12	14.18	14.45	14.49	14.55
Death loss (1% of purchase)	1.70	1.59	1.62	1.72	1.90	2.13	2.21	2.08	2.06	2.26	2.29	2.30	2.27	2.25	2.45	2.38
Transportation (100 miles)	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31	2.31
Marketing expenses	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Miscellaneous & indirect costs[3]	5.81	5.85	5.83	5.80	5.89	5.94	6.00	6.03	6.06	6.11	6.11	6.11	6.13	6.25	6.27	6.29
Total	452.48	428.65	419.06	421.06	438.59	461.22	468.77	456.77	469.03	480.78	475.69	462.11	461.77	464.40	487.67	483.74
	Dollars per cwt.	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*
Selling price/cwt. required to cover feed and feeder costs (1050 lb.)	37.53	35.36	34.43	34.57	36.31	38.31	38.97	37.83	39.05	40.04	39.39	38.15	38.12	38.34	40.40	40.04
Selling price/cwt. required to cover all costs (1050 lb.)	43.09	40.82	39.91	40.10	41.77	43.93	44.64	43.50	44.67	45.79	45.30	44.01	43.98	44.23	46.44	46.07
Feed cost per 100 lb. gain	49.87	47.23	44.39	42.32	42.46	42.06	41.84	42.01	45.33	43.31	41.13	38.00	38.52	39.52	40.36	40.50
Choice steers, Omaha	51.82	50.21	46.80	48.91	47.90	45.23	45.01	41.18	38.80	36.14						
Net margin/cwt.	+8.73	+9.39	+6.89	+8.81	+6.13	+1.30	+.37	-2.32	-5.87	-9.65						
Prices																
Feeder steer choice (600-700 lb., Kansas City/cwt.)	28.27	26.45	26.96	28.75	31.69	35.50	36.81	34.70	34.34	37.59	38.09	38.26	37.83	37.46	40.42	39.69
Corn/bu[4]	3.28	3.06	2.86	2.69	2.68	2.66	2.68	2.72	2.96	2.76	2.56	2.32	2.34	2.42	2.48	2.50
Hay/ton[4]	49.00	50.50	49.00	50.75	51.50	50.25	46.00	42.75	45.50	47.75	48.50	49.00	51.00	51.50	52.75	51.75
Corn silage/ton[5]	24.48	23.63	22.38	21.83	21.90	21.59	20.99	20.66	22.31	21.68	20.80	19.68	20.12	20.60	21.10	21.04
32-36% Protein supp./cwt.[6]	9.40	9.10	8.60	8.20	8.50	8.45	8.45	8.45	8.80	8.90	9.20	8.65	8.75	8.75	8.75	8.75
Farm Labor/hour[6]	2.46	2.38	2.38	2.38	2.10	2.10	2.10	2.19	2.19	2.19	2.45	2.45	2.45	2.45	2.56	2.56
Interest annual rate	10.50	10.50	10.50	10.50	10.00	10.00	10.00	10.00	9.50	9.50	9.50	9.00	9.00	9.00	9.00	9.00
Transportation rate/cwt. 100 mile[7]	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Marketing expenses[8]	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35	3.35
Index of prices paid by farmers (1910-14=100)	613	617	615	612	621	627	632	636	639	645	644	644	647	659	661	664

---

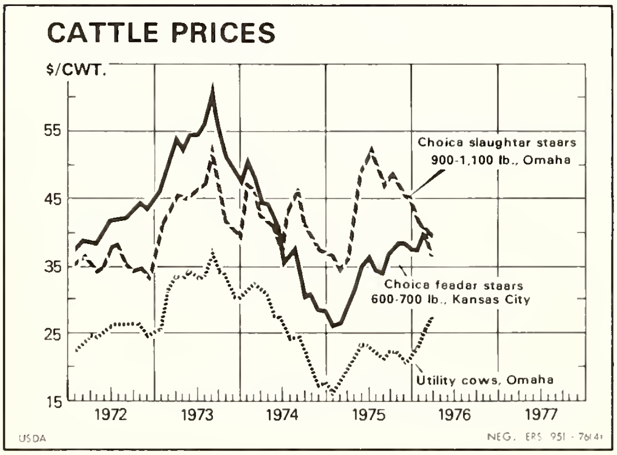
[1] Represents only what expenses would be if all selected items were paid for during the period indicated. The feed ration and expense items do not necessarily coincide with experience of individual feeders. For individual use, adjust expenses and prices for management, production level and locality of operation. [2] Assumes one hour at twice the labor rate. [3] Adjusted monthly by the index of prices paid by farmers for commodities, services, interest, taxes and wage rates. [4] Average price received by farmers in Iowa and Illinois. [5] Corn silage price derived from an equivalent price of 5 bushels corn and 330 lb. hay. [6] Average price paid by farmers in Iowa and Illinois. [7] Converted from cents/mile for a 44,000 pound haul. [8] Yardage plus commission fees at a midwest terminal market.

Feeder cattle prices per 100 pounds, Kansas City

Month	Choice feeder steers 600-700 lbs.			Choice feeder steer calves[1]		
	1974	1975	1976	1974	1975	1976
	Dol.	*Dol.*	*Dol.*	*Dol.*	*Dol.*	*Dol.*
Jan.	50.58	26.45	37.46	54.66	25.09	37.47
Feb.	47.95	26.96	40.42	54.45	26.29	41.40
Mar.	44.81	28.75	39.69	54.02	29.14	44.01
Apr.	44.15	31.69		50.30	31.45	
May	40.14	35.50		45.48	34.66	
June	35.10	36.81		39.96	35.82	
July	36.72	34.70		37.72	32.58	
Aug.	36.70	34.34		36.84	31.70	
Sept.	30.49	37.59		32.40	35.15	
Oct.	30.94	38.09		30.47	36.04	
Nov.	28.71	38.26		27.31	36.26	
Dec.	28.27	37.83		26.54	35.94	
Av.	37.88	33.91		40.84	32.55	

[1] 400-500 lbs.

For the first time since the spring of 1974, feeder cattle during February and March sold higher than fed cattle, and lightweight feeders were drawing a premium over heavier feeders. Choice 600-700 pound feeder steer prices at Kansas City rose from $37 per 100 pounds in early January to above $41 in mid-February before turning marginally lower by mid-March under pressure from the lower fed cattle market. Lighter feeder calf prices, however, have been less affected by the fed market and prices continued to register gains through March. Choice 300-400 pound feeder calves at Kansas City topped $46 per 100 pounds in late March, a rise of nearly $10 since January.



Feeder cattle prices continue to vary widely by region and by weight, as they have for the past 2 years. Although prices have been trending higher, price levels in the Southeast continue well below other markets, suggesting feeder cattle supplies in most western regions are still large enough to cover local demand. Price differentials, however, between the Southeast and the West in late March

Gross cattle feeding margins[1]

Year	Fed cattle[2]	Feeder cattle[3]	Gross margin
	Dollars per steer	*Dollars per steer*	*Dollars per steer*
1972			
January	374	206	168
February	381	211	170
March	369	210	159
April	362	214	148
May	375	221	154
June	398	223	175
July	403	228	175
August	375	233	142
September	364	232	132
October	367	231	136
November	353	243	110
December	387	252	135
1973			
January	427	252	175
February	457	252	205
March	479	260	219
April	473	265	208
May	480	259	221
June	491	275	216
July	500	284	216
August	556	306	250
September	474	324	150
October	440	311	129
November	421	327	94
December	413	329	84
1974			
January	495	339	156
February	487	374	113
March	450	330	120
April	436	311	125
May	425	306	119
June	399	286	113
July	459	303	156
August	490	305	185
September	434	269	165
October	416	265	151
November	396	241	155
December	391	211	180
1975			
January	382	220	162
February	365	220	145
March	379	183	196
April	449	186	263
May	520	172	348
June	544	170	374
July	527	159	368
August	491	162	329
September	514	172	342
October	503	190	313
November	475	213	262
December	473	221	252
1976			
January	432	208	224
February	407	206	201
March	379	226	153

[1] Current fed prices per steer compared with feeder cattle prices 6 months earlier. [2] Choice steers at Omaha, 1,050 lb. [3] Choice steers at Kansas City, 600 lb.

at $3-$4 per 100 pounds were generally the smallest in many months.

Feed prices and the level of fed cattle prices in the months ahead will be primary factors influencing feeder cattle markets, but the longer-term outlook includes higher-trending prices at least through 1977. One big assumption in any optimistic outlook for cow-calf producers is for a level of feed grain production this year that will support further increases in cattle feeding. Winter moisture conditions in the Western Plains States and the Western Corn Belt have caused concern about this years grain crops. Feeder cattle supplies, though reduced from a year earlier, are still too large to command prices high enough to cover all costs of production for most cow-calf operators given current levels of feeding costs. Any significant declines in the level of cattle feeding later this year or in 1977 because of high feed grain costs would likely translate into short-term declines in feeder cattle prices.

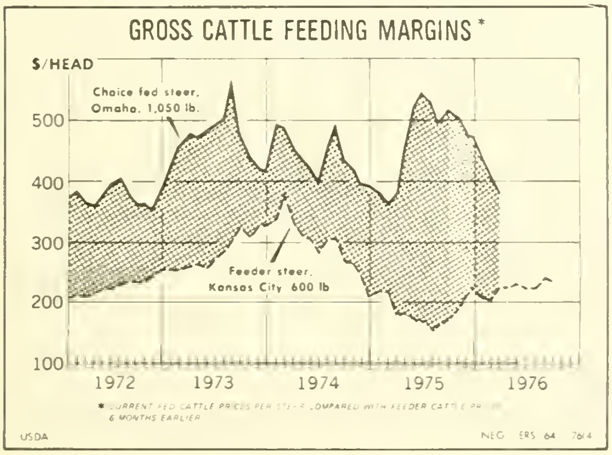
However, early season indications point to another larger feed grain crop if growing conditions are average or better. And with adequate feed grain supplies, expected improvement in the fed cattle market, and prospects for no gain or a decline in this year's calf crop, feeder cattle prices will likely continue to gain strength. The increased level of cattle feeding and current expansion in hog and poultry feeding will place upward pressure on feed grain prices this spring and early summer. But if prospects for grain crops appear favorable around midyear, feed costs may not move significantly higher, allowing feedlots to bid more for replacement cattle. Barring unforeseen disruptions in livestock or feed grain markets, some weights and grades of feeder cattle on western markets could move into the upper $40's and perhaps top $50 per 100 pounds during late summer or early fall.

HOGS

While pork supplies will remain relatively tight through midyear, expanded production during the second half of 1976 now seems certain. Inventory reductions of market hogs in all weight groups on December 1 point to a continued reduction in hog slaughter through most of the first half of 1976. Slaughter hogs marketed during the second half of the year will be drawn largely from the spring pig crop. The March Hogs and Pigs Report placed the December-February pig crop in 14 States up 16 percent. Latest farrowing intentions for the March-May period suggest an increase of 10 percent in the number of sows farrowing. If intentions are met, the 1976 spring pig crop could be up 12 to 14 percent from 1975 and could push second half hog slaughter up a like percentage. This supports earlier expectations for a slight increase in hog slaughter for the year, perhaps in the magnitude of around 3-5 percent.

Slaughter Lower, Reductions Smaller

Hog slaughter under Federal inspection during the first 13 full weeks of 1976 averaged 1.3 million head per week, down 100,000 head per week from a year earlier. Approximately 95 percent of commercial slaughter moves through federally inspected plants. Commercial hog slaughter during January-March was about 17½ million head, trailing first quarter 1975 slaughter by 7 percent. Slaughter weights declined seasonally from the fall average, but with reduced feeding costs and some carryover in marketings from the fall quarter, dressed weights exceeded the 1975 first quarter average of 162 pounds by about 3-4 pounds per carcass. Heavier carcass weights limited the decline in pork production during the first quarter to about 5 percent from the previous year.



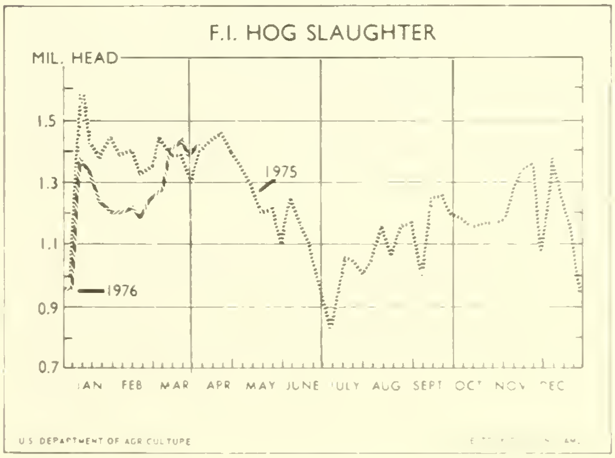


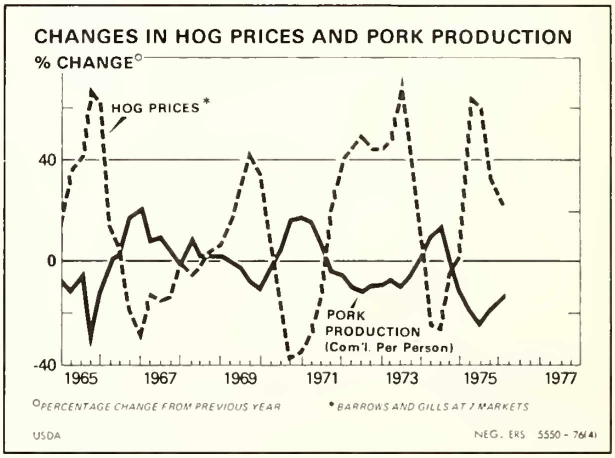
Table 3—Pork supplies and prices

Year	Estimated commercial slaughter[1]				Average dressed weight	Commercial production	Per capita consumption[2]	Prices		
	Barrows and gilts	Sows	Boars	Total				Retail	Barrows and gilts 7 markets	Farm
	1,000 head				*Lb.*	*Mil lb.*	*Lb.*	*Cents per lb.*	*$/cwt*	*$/cwt*
1971: I ...	22,812	1,270	174	24,256	151	3,671	18.3	69.2	17.60	17.10
II ...	21,938	1,452	220	23,610	156	3,678	17.8	68.8	17.33	16.80
III ...	20,524	1,570	214	22,308	154	3,441	18.0	71.3	19.27	18.47
IV ...	22,499	1,563	202	24,264	157	3,816	18.9	71.9	20.06	19.33
Year	87,773	5,855	810	94,438	155	14,606	73.0	70.3	18.45	17.92
1972: I ...	21,029	1,053	178	22,260	157	3,503	17.7	79.0	24.67	23.90
II ...	20,055	1,135	199	21,389	158	3,386	16.6	79.9	25.00	24.33
III ...	17,943	1,305	193	19,441	158	3,064	15.8	86.1	28.85	27.87
IV ...	19,944	1,495	178	21,617	162	3,507	17.3	87.7	28.89	27.93
Year	78,971	4,988	748	84,707	159	13,460	67.4	83.2	26.67	26.00
1973: I ...	18,949	1,080	195	20,224	161	3,262	16.0	98.1	35.63	34.50
II ...	18,274	998	206	19,478	163	3,178	15.4	103.1	36.82	35.90
III ...	15,482	1,190	203	16,875	165	2,791	14.0	121.8	49.04	47.13
IV ...	18,842	1,195	181	20,218	166	3,347	16.2	116.1	40.96	39.87
Year	71,547	4,463	785	76,795	164	12,578	61.6	109.8	40.27	39.35
1974: I ...	18,887	1,075	187	20,149	168	3,378	16.7	115.2	38.40	38.13
II ...	19,659	1,174	181	21,014	168	3,531	17.2	99.3	28.00	27.03
III ...	17,699	1,802	204	19,705	165	3,243	16.1	107.4	36.59	34.63
IV ...	19,124	1,588	182	20,894	164	3,431	16.6	111.0	39.06	37.40
Year	75,369	5,639	754	81,762	166	13,583	66.6	108.2	35.12	34.30
1975: I ...	17,707	886	162	18,755	162	3,044	15.1	114.4	39.35	38.30
II ...	16,708	937	165	17,810	164	2,914	14.0	123.1	46.11	43.90
III ...	14,150	1,003	153	15,306	164	2,512	12.3	149.2	58.83	56.20
IV ...	15,718	955	146	16,819	169	2,836	13.4	153.4	52.20	51.50
Year	64,283	3,781	626	68,690	165	11,306	54.8	135.0	48.32	47.48
1976:[3] I ...	16,672	718	140	17,530	165	2,900	14.4	141.4	48.00	46.97
II ...										
III ...										
IV ...										
Year										

[1] Classes estimated. [2] Total including farm production. [3] Estimated.

Hog slaughter early this year ran somewhat above the expectations based on December 1 market hog inventories by weight groups. This was partly due to the increase in the number of slaughter days during March this year, but milder weather last winter may have reduced the length of the feeding period required for finishing slaughter hogs. The result may be a redistribution of slaughter between the first and second quarters of the year, with almost a million more hogs moving to slaughter during January-March than expected.

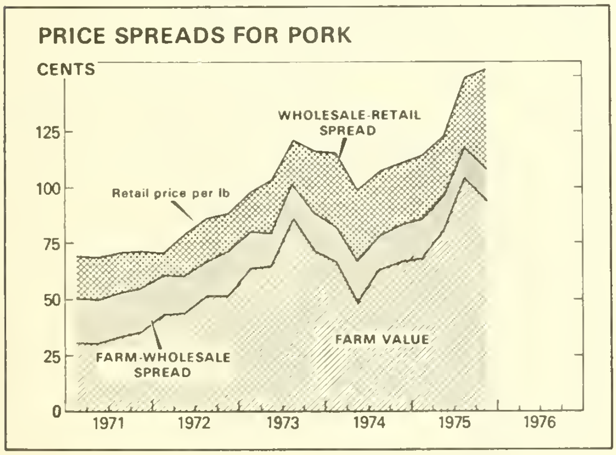
Reductions in slaughter from a year earlier will continue during the spring quarter, with a projected commercial total just under 17 million head. Market hogs weighing 60 to 180 pounds on March 1 will provide most of the slaughter during this period. In the 14 quarterly States these hogs numbered 7 percent fewer than a year ago. Slaughter levels may reach a low point earlier than usual this year, judging from market hog inventories on March 1.



While average slaughter weights normally increase seasonally during the spring quarter, the backlog of heavy hogs carried forward into the 1976 tax and marketing year may lessen winter-to-spring weight differences. Still, weights during April-June may exceed the level of a year earlier, reflecting the more favorable livestock-feed grain price relationship. If so, commercial pork production during April-June may trail the 1975 level of approximately 2.9 billion pounds by 3 to 5 percent.

Hog Market Lower, Price Strength Expected

Prices paid for barrows and gilts at seven markets averaged near $48 per 100 pounds during the winter quarter, off about $4 from the 1975 fourth quarter average. While slow to adjust downward, retail prices are beginning to reflect the decline in the farm price of hogs. The unusually wide farm-to-retail price spread kept the retail price for pork higher than that suggested by corresponding farm and wholesale price levels. At the farm level, the wider margin added downward pressure on hog prices. Increased marketing costs may keep farm-to-retail margins above historical levels, but the total marketing spread for pork products may narrow in the spring months if retail prices slip lower, as expected, during this normally weak demand period.

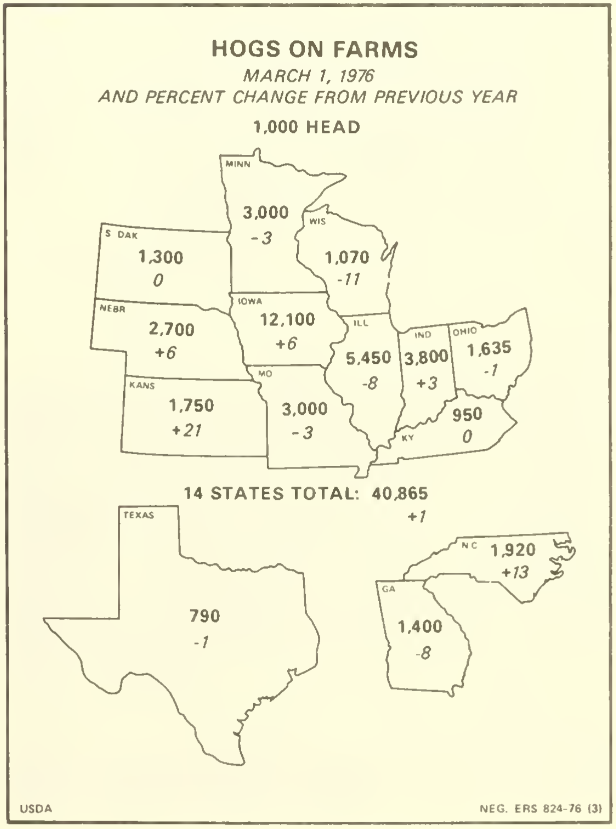


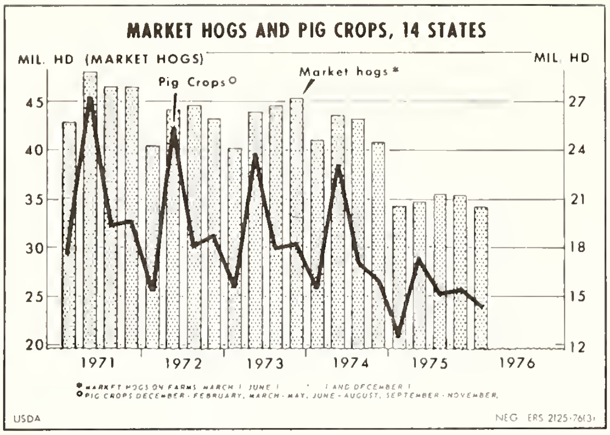
Reductions to date in the farm-to-retail price spread are largely the result of reductions in the farm-to-wholesale (packer) component. The low volume and high price of hogs slaughtered in 1975 squeezed packer margins to the point of closing some packing facilities. A continued squeeze on packer margins might add some downward pressure on hog prices in the near term and could offset some of the price-strengthening effect of weekly reductions in slaughter. Even so, slaughter hog prices are expected to hold above the level of a year ago, and during the second quarter barrows and gilts at seven markets may average near the first quarter level of $48 per 100 pounds. The strongest market appears likely later in the quarter, with seasonal demand factors boosting prices into the upper $40's. Seasonal peak prices may come earlier this year than in the past few years.

Spring Farrowings Up, More Pork Ahead

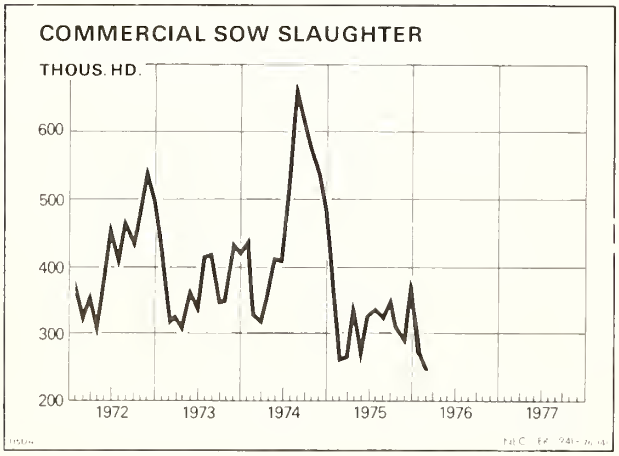
On December 1, the U.S. inventory of all hogs and pigs was reduced 10 percent from December of the previous year. However, a turning point in the production cycle was evident. The inventory of animals kept for breeding was increased by 3 percent and hog farmers indicated plans to increase the number of sows farrowing during December-May by 8 percent. The 14-State survey conducted on March 1 suggests the increase in farrowings will be closer to 12 percent. Pigs born during this period will supply most of the hog slaughter during the second half of the year.

Last December, hog producers in the 14 States planned to increase by 10 percent the December-February pig crop which will supply most of this summer's slaughter hogs. Indications from the survey of these States in March suggest that this





pig crop may have been increased by 16 percent. The 12-percent increase in the March inventory of market hogs weighing less than 60 pounds reflects this larger pig crop. Slaughter during the summer quarter will be drawn primarily from this weight group. It now appears that slaughter during July-September may total 17 to 17½ million head and exceed the 1975 level by 12 to 14 percent.

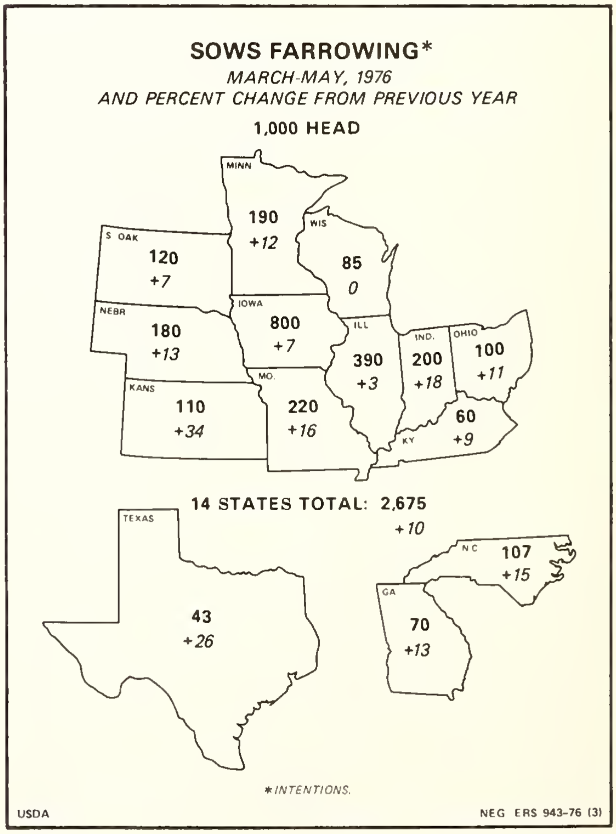


Marketing weights may continue above 1975 averages through the third quarter, boosting commercial pork production around 15 percent above the level of a year ago. Grain prices will be a significant factor in determining finish weights. If prospects for another large grain crop appear favorable and grain prices begin to soften, producers may feed to heavier weights. Also, with the largest percentage increase in hog slaughter likely during late summer, weakening prices could result in delayed marketings and could further increase slaughter weights.

On March 1, hog producers in the 14 States reported plans to increase the number of sows farrowing during the March-May quarter by 10 percent over the year-earlier level. The December survey of producers in these States reported a planned increase of only 5 percent. However, the production response associated with turning points in the cycle—either through increased production or liquidation of breeding stock—often exceeds earlier expectations. Actual farrowings during March-May could even exceed the 10-percent increase currently indicated. It is unlikely, however, that the percentage increase in March-May farrowings will exceed that reported for the first quarter of the year, considering the sharp decline in the hog market last fall when plans were being formulated.

Pigs born during the March-May quarter will supply most of the slaughter hogs next fall. If this pig crop is increased by 10-12 percent, as now seems likely, hog slaughter during October-December could total 18½ to 19 million head, raising fourth quarter pork production to the highest level in 2 years.

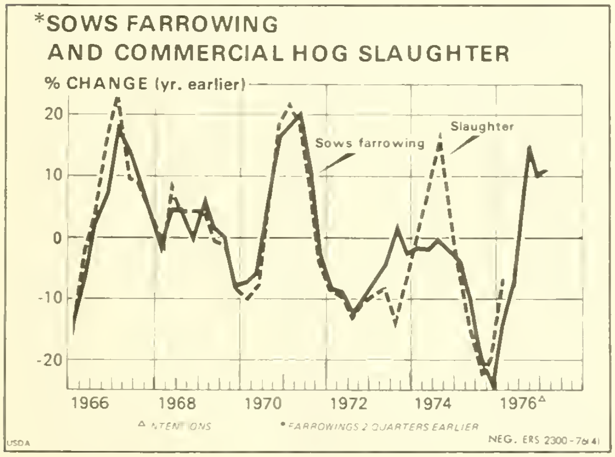
As noted previously, the quarterly farrowing pattern suggested by the survey of producers would be unusual. Normally, a turnaround in production would begin with a moderate gain followed by larger percentage gains in succeeding quarters. An expansion in hog production was apparent last September, when the prospects for a large grain crop and lower feeding costs prompted producers to



increase the number of sows to farrow during the winter quarter. However, the $20 drop in hog prices from mid-October through December occurred at a time when producers were deciding if they should withhold gilts for this year's second quarter farrowings or move them to slaughter. The producer survey conducted on December 1 reported only a small increase in the inventory of breeding animals.

Also, the substantial increase in the number of cattle moving into feedlots in Iowa just prior to the December hog report could indicate that producers were committing resources to an expanded cattle feeding program rather than sustaining the rate of increase in hog production indicated earlier. To the extent that a similar livestock feeding program can be identified in Illinois, larger increases in farrowings could be delayed until the summer quarter. The first quarter pig crop was increased by 18 percent in Iowa, while only a 7-percent increase is planned for March-May. Illinois producers reported a 6 and 3-percent increase, respectively, for the first 2 quarters. The June Hogs and Pigs Report will provide additional information on the spring pig crop and farrowing intentions for the summer and fall.

Given current projections, increased hog slaughter during the second half of 1976 should more than offset reductions during January through June, with total slaughter at around 70-72 million head, up about 3 to 5 percent from the previous year.



Hog Prices Lower In Second Half

Hog prices likely will weaken during much of the second half of the year under pressure of expected increases in pork output, and higher broiler production. However, production will be increasing from a very low level, which should prevent any sharp break in the hog market. Also, seasonally declining total meat output expected around midyear may temper the price impact on hogs from initial increases in hog slaughter.

Market hog prices may continue in the mid- to upper $40's per 100 pounds through early summer before trending lower in the fall. The 14-16 percent increase in summer pork production from a year earlier still only brings output back up to the January-March level, a time when barrows and gilts averaged near $48 per 100 pounds. With the largest pork production expected during the fall months, increases in slaughter may push prices into the low $40's before yearend. Also, seasonally declining cattle prices may influence hog prices. With an upturn in the production cycle for pork and a downturn in the beef cycle, hog prices may average lower than fed cattle prices beginning late this year and in 1977.

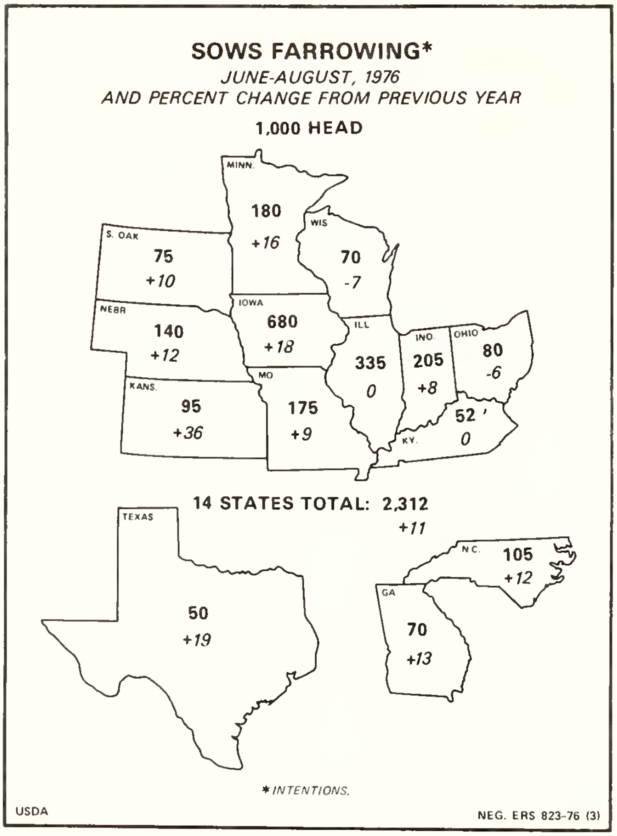
Hog prices per 100 pounds, 7 markets[1]

Month	Barrows and gilts			Sows		
	1974	1975	1976	1974	1975	1976
	Dol.	*Dol.*	*Dol.*	*Dol.*	*Dol.*	*Dol.*
Jan.	40.59	38.93	48.40	33.93	35.01	40.48
Feb.	39.73	39.61	48.85	34.21	36.52	44.03
Mar.	34.88	39.52	46.71	31.42	36.58	42.24
Apr.	30.52	40.69		26.60	37.00	
May	26.09	46.44		21.52	41.12	
June	27.40	51.19		21.37	44.28	
July	36.31	57.17		28.12	49.74	
Aug.	37.67	58.10		29.76	51.89	
Sept.	35.79	61.23		29.04	54.56	
Oct.	38.90	58.52		33.42	51.94	
Nov.	38.34	49.74		33.57	42.25	
Dec.	39.93	48.33		33.78	38.50	
Av.	35.12	48.32		29.92	43.65	

[1] Average for all weights at Midwest markets.

Hog producers have the flexibility to adjust to changing economic conditions in a relatively short period of time. However, when exercised to significantly expand production, this flexibility can work to the disadvantage of producers. The March 1 survey of producers in 14 States indicated plans to increase by 11 percent the number of sows farrowing during the summer quarter. The number of animals held for breeding in these States was increased by a tenth from last year. This would suggest a farrowing response of at least the magnitude indicated.

The potential for expansion will largely be determined by developments in the grain market over the next several months. With a boost in the number of acres planned for corn production this year, favorable weather could begin to push grain



SOWS FARROWING*

JUNE-AUGUST, 1976

AND PERCENT CHANGE FROM PREVIOUS YEAR

1,000 HEAD

**INTENTIONS.*

USDA NEG. ERS 823-76 (3)

Hog-corn price ratio, Omaha basis

Month	1972	1973	1974	1975	1976
January	19.7	21.5	14.8	12.6	18.6
February . . .	20.6	23.3	13.4	14.1	18.6
March	19.0	25.4	12.5	14.3	17.8
April	18.2	23.4	12.1	14.1	
May	19.7	19.5	10.2	16.4	
June	21.5	16.9	10.0	17.9	
July	22.8	19.9	11.2	19.4	
August	23.5	20.8	10.5	18.6	
September . .	22.6	18.4	10.3	20.7	
October	21.8	17.8	10.6	21.2	
November . .	20.6	16.9	11.0	19.4	
December . .	20.5	15.7	11.8	18.5	
Average . . .	20.6	19.3	11.6	17.2	

prices lower by summer. Hog feeding could then be considered a profitable alternative to the cash grain market. Adding gilts to the breeding herd this summer and fall would result in a larger pig crop during the first half of 1977. Total slaughter for the year 1977 might then approximate the 1974 level, and market hog prices could move into the mid- to upper $30's.

Feeder Pig Price Remain Strong

Feeder pig prices paralleled movements in the slaughter hog market during the first 3 months of 1976. Prices paid for 40-to-50 pound pigs at southern Missouri markets ranged mostly between $46 to $50 per head. With the stable grain market, feeder pig prices essentially represented the

Gross hog feeding margins[1]

Year	Hogs 7 markets	Feeder pigs So. Missouri	Margins
	$ per head	*$ per head*	*$ per head*
1972			
January	54.65	14.34	40.31
February	56.34	16.94	39.40
March	51.83	16.62	35.21
April	50.36	18.33	32.03
May	55.70	24.69	31.01
June	58.83	26.25	32.58
July	62.85	26.94	35.91
August	63.49	27.63	35.86
September	64.02	26.63	37.39
October	61.80	24.56	37.24
November	61.14	26.50	34.64
December	67.72	26.00	41.72
1973			
January	71.59	27.85	43.74
February	79.71	28.63	51.08
March	83.89	26.50	57.39
April	78.23	25.56	52.67
May	79.97	26.38	53.59
June	84.81	33.60	51.21
July	102.61	38.69	63.92
August	124.70	34.97	89.73
September	96.34	34.81	61.53
October	92.66	31.90	60.76
November	90.13	40.81	49.32
December	87.54	45.50	42.04
1974			
January	89.30	36.75	52.55
February	87.41	38.25	49.16
March	76.74	37.10	39.64
April	67.14	32.33	34.81
May	57.40	34.70	22.70
June	60.28	33.25	27.03
July	79.88	32.50	47.38
August	82.87	32.18	50.69
September	78.74	22.10	56.64
October	85.58	17.31	68.27
November	84.35	20.31	64.04
December	87.85	19.44	68.41
1975			
January	85.65	18.75	66.90
February	87.14	24.10	63.04
March	86.94	21.13	65.81
April	89.52	25.75	63.77
May	102.17	30.10	72.07
June	112.62	35.75	76.87
July	125.77	39.75	86.02
August	127.82	43.05	84.77
September	134.71	44.00	90.71
October	128.74	44.65	84.09
November	109.43	44.10	65.33
December	106.33	46.75	59.58
1976			
January	106.48	59.81	46.67
February	107.47	56.55	50.92
March	102.76	48.94	53.82

---

[1] Current 220 lb. Slaughter Hog compared with a 40-50 lb. Feeder Pig purchased 4 months earlier.

Table 4—Corn Belt Hog Feeding[1]

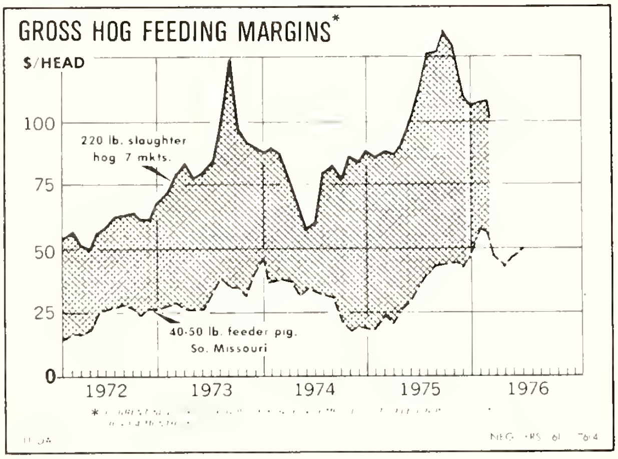
Selected costs at current rates[2]

Purchased during Marketed during	Dec. Apr.	Jan. 75 May	Feb. June	Mar. July	Apr. Aug.	May Sept.	June Oct.	July Nov.	Aug. Dec.	Sept. Jan. 76	Oct. Feb.	Nov. Mar.	Dec. Apr.	Jan. 76 May	Feb. June	Mar. July
	Dollars per head	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*	*Dollars per head*
Expenses:																
40 lb. feeder pig	25.75	30.10	35.75	39.75	43.05	44.00	44.65	44.10	46.75	59.81	56.55	48.94	44.19	48.38	50.16	48.80
Corn (11 bu.)	36.08	33.66	31.46	29.59	29.48	29.26	29.48	29.92	32.56	30.36	28.16	25.52	25.74	26.62	27.28	27.50
Protein supplement (130 lb.)	14.56	13.84	13.06	12.74	13.06	12.87	13.00	13.06	13.72	13.91	13.78	13.13	13.39	13.52	13.58	13.65
Labor & management (1.3 hrs.)	6.38	6.19	6.19	6.19	5.46	5.46	5.46	5.69	5.69	5.69	6.37	6.37	6.37	6.37	6.66	6.66
Vet medicine[3]	1.45	1.46	1.46	1.45	1.47	1.49	1.50	1.51	1.51	1.53	1.53	1.53	1.53	1.56	1.57	1.57
Interest on purchase (4 mo.)	.90	1.05	1.25	1.39	1.43	1.47	1.49	1.47	1.48	1.86	1.79	1.47	1.33	1.45	1.50	1.46
Power, equip, fuel, shelter, depreciation[3]	3.53	3.55	3.54	3.53	3.58	3.61	3.64	3.66	3.68	3.72	3.71	3.71	3.73	3.80	3.81	3.82
Death loss (4% of purchase)	1.03	1.20	1.43	1.59	1.72	1.76	1.79	1.76	1.87	2.39	2.26	1.96	1.77	1.94	2.01	1.95
Transportation (100 miles)	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48	.48
Marketing expenses	1.12	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14
Miscellaneous & indirect costs[3]	.36	.36	.36	.36	.37	.37	.37	.38	.38	.38	.38	.38	.38	.39	.39	.39
Total	91.64	93.03	96.12	98.21	101.24	101.91	103.00	103.17	109.26	121.27	116.15	104.63	100.05	105.65	108.58	107.42
	Dollars per cwt.	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*	*Dollars per cwt.*
Selling price/cwt. required to cover feed and feeder costs (220 lb.)	34.72	35.28	36.49	37.31	38.90	39.15	39.60	39.58	42.29	47.31	44.77	39.81	37.87	40.24	41.37	40.89
Selling price/cwt. required to cover all costs (220 lb.)	41.65	42.29	43.69	44.64	46.02	46.32	46.82	46.90	49.66	55.12	52.80	47.56	45.48	48.02	49.35	48.83
Feed cost per 100 lb. gain	28.13	26.39	24.73	23.52	23.63	23.41	23.60	23.88	25.71	24.59	23.34	21.49	21.74	22.30	22.70	22.86
Barrows and gilts 7 markets/cwt.	40.69	46.44	51.19	57.17	58.10	61.23	58.52	49.74	48.33	48.40	48.85	46.71				
Net margin/cwt.	-.96	+4.15	+7.50	+12.53	+12.08	+14.91	+11.70	+2.84	-1.33	-6.72	-3.95	-.85				
Prices:																
40 lb. feeder pig (So. Missouri)	25.75	30.10	35.75	39.75	43.05	44.00	44.65	44.10	46.75	59.81	56.55	48.94	44.19	48.38	50.16	48.80
Corn[4] /(bu.)	3.28	3.06	2.86	2.69	2.68	2.66	2.68	2.72	2.96	2.76	2.56	2.32	2.34	2.42	2.48	2.50
38-42% protein supp.[5]/cwt.	11.20	10.65	10.05	9.80	10.05	9.90	10.00	10.05	10.55	10.70	10.60	10.10	10.30	10.40	10.45	10.50
Labor and management[6]/hr.	4.91	4.76	4.76	4.76	4.20	4.20	4.20	4.38	4.38	4.38	4.90	4.90	4.90	4.90	5.12	5.12
Interest rate (annual)	10.50	10.50	10.50	10.50	10.00	10.00	10.00	10.00	9.50	9.50	9.50	9.00	9.00	9.00	9.00	9.00
Transportation rate/cwt. 100 miles)[7]	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22	.22
Marketing expenses[8]	1.12	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14
Index of prices paid by farmers (1910-14=100)	613	617	615	612	621	627	632	636	639	645	644	644	647	659	661	664

---

[1] Although a majority of hog feeding operations in the Corn Belt are from farrow to finish, relative fattening expenses will be similar. [2] Represents only what expenses would be if all selected items were paid for during the period indicated. The feed rations and expense items do not necessarily coincide with the experience of individual feeders. For individual use, adjust expenses and prices for management, production level, and locality of operation. [3] Adjusted monthly by the index of prices paid by farmers for commodities, services, interest, taxes and wage rates. [4] Average price received by farmers in Iowa and Illinois. [5] Average prices paid by farmers in Iowa and Illinois. [6] Assumes an owner-operator receiving twice the farm labor rate. [7] Converted to cents/cwt. from cents/mile for a 44,000 pound haul. [8] Yardage plus commission fees at a midwest terminal market.

residual value between slaughter hog prices and feeding costs. While the slaughter market is expected to hold near current levels over the next few months, feeder pig prices will be sensitive to fluctuations in the grain market. If grain prices soften during the spring quarter, feeder pigs could move through the system at current or higher price levels.



Speculation about the prospects for the corn crop this year will begin to affect prices by summer. Although the slaughter market will likely move lower during the second half of this year, favorable weather conditions and lower grain prices could limit price declines in the feeder pig market. The summer price average may hold at or above $40 per head. A lower slaughter market this fall could push feeder pig prices into the mid-$30's. Wide price fluctuations are likely if an unstable grain market develops.

SHEEP AND LAMBS

Commercial sheep and lamb slaughter continued to decline during the winter quarter, reflecting the reduced January 1 inventory. Slaughter during January-March consisted largely of fed lambs. While the numbers on feed at the beginning of the year were 9 percent fewer, commercial slaughter dipped 11 percent below a year earlier and totaled approximately 1.7 million head. Dressed weights exceeded the 1975 winter average of 52 pounds per carcass, with commercial production of lamb and mutton just under 95 million pounds, a reduction of 7 percent.

Sharp reductions in slaughter helped to maintain a strong slaughter lamb market. Choice slaughter lambs at San Angelo during January-March averaged $51.50 per 100 pounds, up from an unusually strong fall quarter average of $46 and higher than in any previous quarter. Movement in the feeder lamb market closely followed that of the slaughter market, with Choice feeders averaging mostly $48 to $50 per 100 pounds through early March.

Choice lamb prices per 100 pounds, San Angelo

Month	Slaughter lambs			Feeder lambs		
	1974	1975	1976	1974	1975	1976
	Dol.	*Dol.*	*Dol.*	*Dol.*	*Dol.*	*Dol.*
Jan.	39.50	38.25	49.25	39.55	34.12	48.38
Feb.	40.75	39.31	49.00	38.12	35.31	49.69
Mar.	40.38	45.88	56.25	41.88	43.50	56.30
Apr.	42.25	46.65		41.56	43.65	
May	47.15	47.62		42.00	43.00	
June	46.25	46.06		37.08	39.69	
July	37.94	45.25		31.25	40.25	
Aug.	42.50	40.75		32.58	38.75	
Sept.	36.12	43.50		30.75	41.25	
Oct.	36.44	44.50		31.75	42.62	
Nov.	37.58	46.83		36.25	46.33	
Dec.	39.25	48.75		36.42	48.38	
Av.	40.51	44.45		36.52	41.40	

Lamb Feeding Off

There were 611,000 sheep and lambs on feed in the 7 States surveyed on March 1, 1976, a reduction of 14 percent from the number being readied for the slaughter market a year earlier and the lowest on-feed inventory since the series started in 1960. The number on feed in the seven States on January 1 trailed the level of a year earlier by only 9 percent. Of the seven States reporting lambs on feed, Colorado accounted for about 40 percent and Texas about a fifth of the total. These 2 States accounted for about the same percentage of the

Sheep and Lambs on Feed

	1973	1974	1975	1976	1976/ 1975
	1,000 head	*1,000 head*	*1,000 head*	*1,000 head*	*Percent change*
On feed					
Jan. 1	1,543	1,487	1,141	1,034	-9
Placed,					
Jan.-Feb. . .	306	268	376	364	-3
Marketed					
Jan.-Feb. . .	913	861	805	787	-2
On feed Mar. 1	936	894	712	611	-14
under 70 lb.	73	56	48	48	0
70-79 lb. . . .	104	83	66	62	-6
80-89 lb. . . .	208	181	203	105	-48
90-99 lb. . . .	318	285	256	192	-25
100 lb. + . . .	233	289	139	204	+47
Early lamb crop[1]	1,834	1,555	1,554	1,489	-4

[1] California, Kansas, and Texas.

Table 5—Lamb supplies and prices

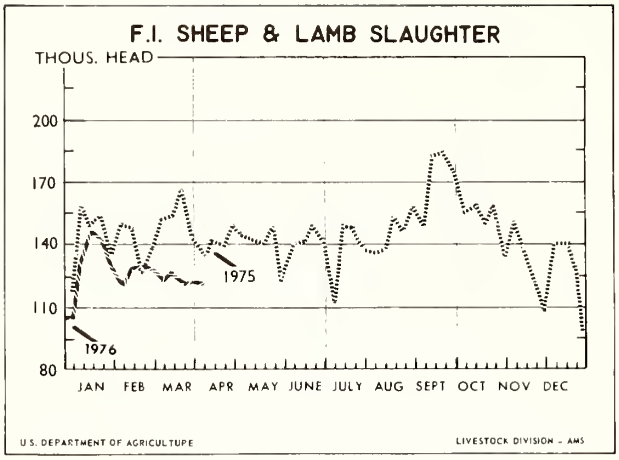
	Commercial slaughter[1]			Average dressed weight	Commercial production	Per capita consumption[2]	Prices			
	Lambs and yearlings	Sheep	Total				Retail	San Angelo		Farm
								Choice slaughter	Choice feeder	
	1,000 head	*1,000 head*	*1,000 head*	*Lb.*	*Mil. lb.*	*Lb.*	*Cents per lb.*	*Dollars per/cwt*	*Dollars per/cwt*	*Dollars per/cwt*
1971										
I	2,586	140	2,726	54	145	0.8	106.5	25.41	25.60	24.17
II	2,365	265	2,630	51	133	.8	108.3	29.60	26.62	27.30
III	2,424	247	2,671	49	129	.8	111.8	27.63	25.13	26.80
IV	2,497	206	2,703	51	137	.7	112.2	26.00	26.11	25.33
Year	9,872	858	10.730	51	544	3.1	109.7	27.16	25.86	25.90
1972										
I	2,544	116	2,660	54	142	.8	114.6	29.29	29.44	27.93
II	2,330	170	2,500	52	130	.9	116.9	32.92	31.45	29.90
III	2,328	202	2,530	49	124	.9	121.2	31.42	29.71	30.23
IV	2,396	214	2,610	53	137	.7	122.6	29.18	30.36	28.17
Year	9,598	702	10,300	52	533	3.3	118.8	30.70	30.24	29.10
1973										
I	2,240	76	2,316	54	126	.7	130.6	38.65	38.70	35.70
II	2,164	205	2,369	54	127	.7	134.0	38.22	37.37	34.97
III	2,237	305	2,542	51	128	.7	139.7	38.36	35.90	36.77
IV	2,116	254	2,370	52	123	.6	132.7	37.55	36.69	33.90
Year	8,757	840	9,597	53	504	2.7	134.3	38.20	37.17	35.10
1974										
I	2,082	108	2,190	54	119	.6	137.6	40.21	37.29	38.17
II	1,972	140	2,112	52	109	.6	139.7	45.25	40.21	40.80
III	2,214	199	2,413	49	118	.6	152.3	38.85	31.42	36.30
IV	1,991	141	2,132	51	108	.5	153.3	37.36	34.81	34.70
Year	8,259	588	8,847	51	454	2.3	145.7	40.42	35.93	37.00
1975										
I	1,878	65	1,943	52	101	.5	156.0	41.15	37.97	38.30
II	1,772	153	1,925	50	96	.5	164.4	46.78	42.11	44.40
III	1,922	169	2,091	50	104	.5	175.7	43.17	40.08	41.23
IV	1,672	203	1,875	52	98	.5	177.5	46.68	45.78	44.13
Year	7,244	590	7,834	51	399	2.0	168.4	44.44	41.40	42.02
1976[3]										
I	1,648	72	1,720	55	94	.5	180.0	51.50	51.46	48.07
II										
III										
IV										
Year										

[1] Classes estimated. [2] Total, including Farm Production. [3] Estimated.

total as a year earlier. However, the proportion being fed in Colorado is increasing, while Texas is feeding a smaller percentage of the total. Nebraska was the only State to report an increase in on-feed inventories on March 1.

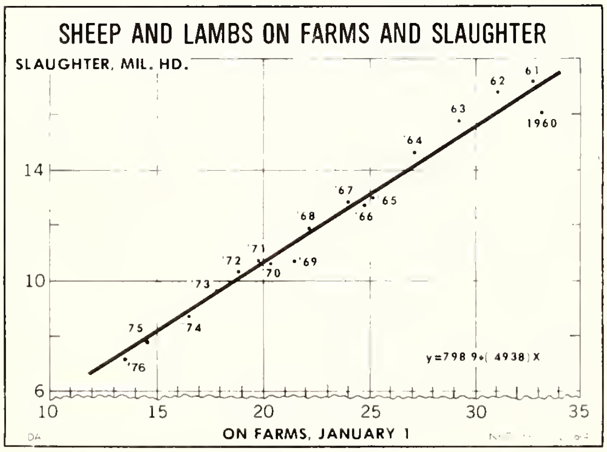
The strong slaughter lamb market this winter failed to sustain an increase in lamb feeding. Placements of lambs on feed during January and February in the seven States dropped about 3 percent following a 24-percent increase the year before. Poor profits and fewer cattle moving into feedlots during the winter of 1975 may have been contributing factors to the recorded increase in lamb feeding last year. With cattle feeding up sharply this year, available resources apparently are again being transferred to other livestock feeding programs.

Fed lamb marketings during the first 2 months of the year dropped about 2 percent from the previous year. Fed lambs marketed from the seven States totaled 787,000 head during January and February, compared with 805,000 head marketed during the same period in 1975. South Dakota, Kansas, and California reported slight increases in marketings, with the remaining States reporting reductions. In excess of 60 percent of all fed lambs marketed this winter came from Colorado and Texas.

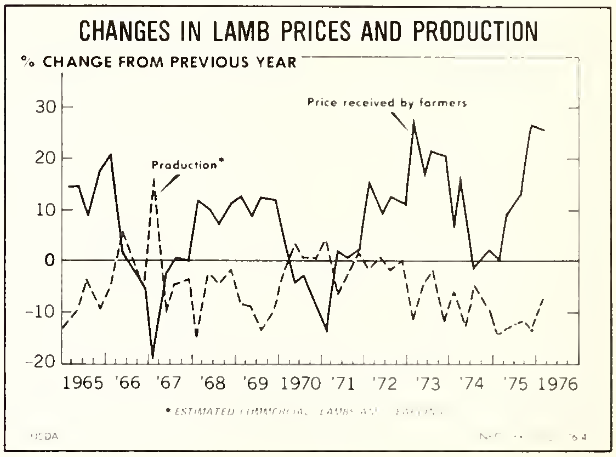


Reduced Slaughter, Higher Prices Expected

The 8-percent reduction in the January 1, 1976, inventory of sheep and lambs suggests continued reductions in slaughter for the remainder of 1976, unless the rate of liquidation increases more sharply than now seems likely. The relationship between the January 1 inventory and commercial sheep and lamb slaughter during the year is shown graphically on the following chart. If the past relationship holds in 1976, commercial slaughter this year may total fewer than 7½ million head, down 7 to 8 percent from the 7.8 million slaughtered in 1975.



Commercial slaughter in the spring quarter may not be much different than the winter level. Slaughter supplies during the spring will be drawn largely from the inventory of lambs under 1 year of age on farms January 1. These lambs numbered 1.7 million head, 11 percent fewer than on January 1 of last year. Also contributing to spring slaughter are new crop lambs on farms at the beginning of the year. These lambs, born during October through December, numbered 5 percent more than the January 1, 1975, inventory. This should limit the decline in spring slaughter to around 8 to 9 percent from the 1.9 million slaughtered 1 year earlier. New crop lambs born after January 1 will move to slaughter largely during the summer quarter.

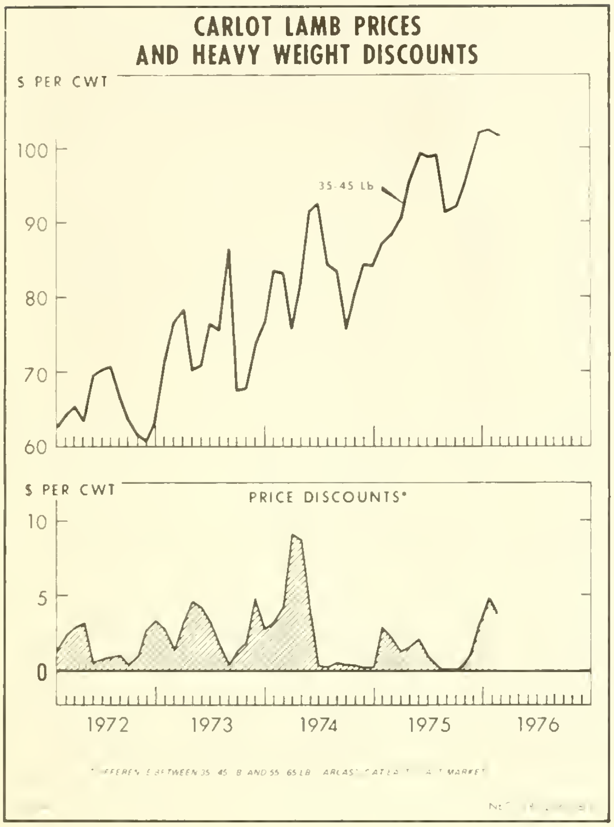


The seasonal shift in the composition of slaughter to an increasing percentage of milk-fat lambs is expected to result in lower average slaughter weights. Dry weather this winter in California and the Wheat Belt of Kansas, Oklahoma, and Texas could further reduce slaughter weights. These States account for a major proportion of th spring marketings of milk-fat lambs.

Prices paid for slaughter lambs will likely move higher during the spring months in response to the reduced production level. The quarterly average price at San Angelo may exceed $50 per 100 pounds, with prices moving into mid-$50's during the peak spring lamb marketing season. Any substantial overlapping of old crop fed lamb and milk-fat lamb marketings may result in price discounts on 1975 crop lambs. However, the low volume of lambs moving to slaughter should limit price discounts to $2 to $3 per hundredweight.

Early Lamb Crop Smaller

The early lamb crop in California, Kansas, and Texas was reported to be down 4 percent this year, following a 3-percent reduction in ewe inventories in these States on January 1. Early lambs on hand March 1 are mostly those born between September 1, 1975, and March 1, 1976. The early lamb crop in Texas equaled that of 1975, wile reductions of 7 and 14 percent, respectively, were reported for California and Kansas. The small reduction in the early lamb crop may moderate the decline in slaughter this summer.



CARLOT LAMB PRICES AND HEAVY WEIGHT DISCOUNTS

*DIFFERENCE BETWEEN 35-45 LB. AND 55-65 LB. CARCASS [illegible] MARKET

Lamb Prices to Ease

Commercial slaughter of sheep and lambs during the summer quarter is expected to rise in a normal seasonal pattern and may run 5 to 10 percent over the second quarter but still fall short of a year earlier by as much as a tenth. Slaughter during October-December likely will decline seasonally from summer.

Slaughter lamb marketings follow a distinct seasonal pattern which accounts for much of the month-to-month production and price changes. Milk-fat lamb marketings are heaviest during the months of June-November. The highest concentration of milk-fat lambs in the slaughter mix occurs during the summer, and carcass weights are usually the lowest of the year.

Slaughter during the fall quarter will be primarily fed lambs. As milk-fat lamb marketings decline during October and November, fed lambs become the dominant source of slaughter, and average carcass weights begin to rise. As slaughter rates increase seasonally, prices likely will trend lower through the last half of 1976. Third quarter prices may average in the upper $40's per 100 pounds, followed by a $1-$2 seasonal decline in price during the fall months.

MEAT CONSUMPTION AND PRICES

Meat Consumption Up

Preliminary data indicate per capita red meat consumption during the first quarter this year ran well over earlier expectations and may total between 48½ to 49 pounds, 1½ to 2 pounds per person more than a year earlier. This level of red meat consumption would be near previous peak quarters back in 1970 and 1971. The first quarter record level of beef production was responsible for the increase in meat availability. In comparison with a year earlier, the 667 million pound increase in beef and veal production during January-March completely overshadowed the 143 million pound decline in commercial pork production.

First quarter beef consumption probably was 32½ to 33 pounds per person, more than a pound over the previous record set last fall. Pork consumption likely totaled around 14½ pounds per person, still about ½ pound under year-earlier levels.

Largely due to the turnaround in cattle feeding, which produced an 11-12 percent increase in first quarter beef output, January-March commercial red meat production jumped 6 percent above year-earlier levels. At 9.7 billion pounds, this was the highest meat production quarter since the fall of 1974 and was a gain of 11 percent from seasonal lows of the summer of 1975.

Reflecting gains in red meat production, retail prices have moved lower. According to the BLS (Bureau of Labor Statistics) index, retail meat prices declined 6 percent between October 1975's record highs and February 1976. Further declines probably occurred during March, pushing overall meat prices to their lowest since June 1975. But, although declining for several months, January-March retail meat prices will average 14-16 percent higher than year-earlier levels. With 5-7 percent more meat moving through marketing channels at prices substantially above a year ago, demand for meat and meat products appears to be well above a year earlier.

Retail beef prices have been trending generally lower since last July. The average price of Choice grade beef in late March was near $1.40 per pound, down more than 20 cents per pound from last summer's peaks. Pork prices have also fallen by around 20 cents per pound between October and March. During February and March, retail pork prices dropped back to near beef prices, after running about 6 cents per pound higher last October. While prices have been trending lower, January-March beef and pork prices will average around 10 and 20 percent, respectively, above year-earlier levels.

Table 6—Per capita meat consumption by quarters[1]

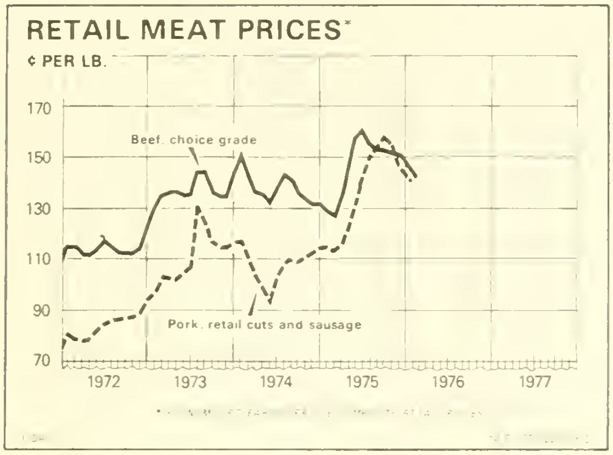
Year	Carcass weight					Retail weight				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
Beef										
1969	27.2	26.7	28.6	28.3	110.8	20.2	19.7	21.2	20.9	82.0
1970	28.3	27.9	29.0	28.5	113.7	20.9	20.6	21.5	21.1	84.1
1971	27.7	28.1	29.3	27.9	113.0	20.5	20.8	21.7	20.6	83.6
1972	28.2	28.9	29.4	29.6	116.1	20.9	21.4	21.7	21.9	85.9
1973	28.0	26.2	26.8	28.6	109.6	20.7	19.4	19.8	21.2	81.1
1974	28.3	28.8	29.4	30.3	116.8	20.9	21.3	21.8	22.4	86.4
1975[2]	30.3	28.4	30.2	31.2	120.1	22.4	21.0	22.4	23.1	88.9
1976[3]	32.8	31.1	30.6	31.0	125.5	24.3	23.0	22.6	23.0	92.9
Veal										
1969	0.9	0.8	0.8	0.8	3.3	0.7	0.6	0.7	0.7	2.7
1970	.8	.7	.7	.7	2.9	.6	.6	.6	.6	2.4
1971	.7	.6	.7	.7	2.7	.6	.5	.5	.6	2.2
1972	.6	.5	.5	.6	2.2	.5	.4	.4	.5	1.8
1973	.5	.4	.4	.5	1.8	.5	.3	.3	.4	1.5
1974	.5	.4	.6	.8	2.3	.4	.3	.5	.7	1.9
1975[2]	.9	.9	1.1	1.3	4.2	.7	.7	1.0	1.1	3.5
1976[3]	1.1	.8	.7	.6	3.2	.9	.7	.6	.5	2.7
Pork										
1969	17.0	16.0	15.5	16.5	65.0	15.8	14.9	14.4	15.3	60.4
1970	15.4	15.6	16.3	19.1	66.4	14.3	14.5	15.2	17.8	61.8
1971	18.3	17.8	18.0	18.9	73.0	17.0	16.6	16.7	17.6	67.9
1972	17.7	16.6	15.8	17.3	67.4	16.5	15.4	14.7	16.1	62.7
1973	16.0	15.4	14.0	16.2	61.6	14.9	14.3	13.0	15.1	57.3
1974	16.7	17.2	16.1	16.6	66.6	15.5	16.0	15.0	15.4	61.9
1975[2]	15.1	14.0	12.3	13.4	54.8	14.1	13.0	11.4	12.5	51.0
1976[3]	14.4	13.5	14.4	15.5	57.8	13.4	12.6	13.4	14.4	53.8
Lamb & Mutton										
1969	0.9	0.8	0.9	0.8	3.4	0.8	0.8	0.7	0.7	3.0
1970	.9	.9	.8	.7	3.3	.8	.8	.7	.6	2.9
1971	.8	.8	.8	.7	3.1	.7	.7	.7	.7	2.8
1972	.8	.9	.9	.7	3.3	.7	.8	.8	.6	2.9
1973	.7	.7	.7	.6	2.7	.7	.6	.6	.5	2.4
1974	.6	.6	.6	.5	2.3	.5	.5	.5	.5	2.0
1975[2]	.5	.5	.5	,5	2.0	.5	.4	.4	.5	1.8
1976[3]	.5	.5	.5	.5	2.0	.5	.4	.4	.5	1.8
Red Meat										
1969	46.0	44.3	45.8	46.4	182.5	37.5	36.0	37.0	37.6	148.1
1970	45.4	45.1	46.8	49.0	186.3	36.6	36.5	38.0	40.1	151.2
1971	47.5	47.3	48.8	48.2	191.8	38.8	38.6	39.6	39.5	156.5
1972	47.3	46.9	46.6	48.2	189.0	38.6	38.0	37.6	39.1	153.3
1973	45.2	42.7	41.9	45.9	175.7	36.8	34.6	33.7	37.2	142.3
1974	45.6	47.0	46.7	47.9	187.3	37.3	38.1	37.8	39.0	152.2
1975[2]	46.8	43.8	44.1	46.4	181.1	37.7	35.1	35.2	37.2	145.2
1976[3]	48.8	45.9	46.2	47.6	188.5	39.1	36.7	37.0	38.4	151.2

[1] Total consumption including farm, 50 States. [2] Preliminary. [3] Forecast.

Commercial red meat production is expected to continue 4-6 percent above year-earlier levels through the summer, but output will decline seasonally from the high first quarter level. This may begin to add upward pressure on retail meat prices later in the spring and summer. Recent expansion in hog feeding and broiler production and continued increases in cattle feeding, likely will help insulate retail markets from the extremely sharp monthly price increases observed in the spring of 1975. Retail hamburger prices may be an exception if cow slaughter keeps declining as anticipated.

Meat Expenditures Steady

Preliminary estimates of consumer expenditures for red meat during the first quarter indicate meat demand is strong. An expected increase in first quarter consumer incomes of around 11 percent from a year earlier generated an increase in meat expenditures of near 18 percent. The January-March expenditure level may be around $56 per person, about the same as last fall but around $9 above a year earlier. From the fourth quarter 1975 to the first quarter this year, increased con-



sumption levels were about offset by lower prices. Despite the substantial increase in the beef supply, beef expenditures also remained steady, near fourth quarter levels. Although down some from the last half of 1975, the percentage of incomes spent for meat during January-March will be above a year earlier.

Over the past several years, consumers have typically spent a larger proportion of their incomes for meat during the third quarter than at other times of the year. Considering prospects for continued quarter-to-quarter increases in income and probable seasonal reductions in meat production and consumption around midyear, a seasonal boost in demand could add upward price pressure on retail meat prices later this spring.

Table 7—Expenditures per person and percent of income spent for red meat[1]

Year and quarter	Disposable income	Spent for beef[2]	Percentage	Spent for pork	Percentage	Spent for veal	Percentage	Spent for lamb	Percentage	Spent for all meat	Percentage
	Dollars	*Dollars*	*Percent*	*Dollars*	*Percent*	*Dollars*	*Percent*	*Dollars*	*Percent*	*Dollars*	*Percent*
1955	1,666	42.75	2.57	33.27	2.00	4.99	0.30	2.73	0.16	83.76	5.02
1960	1,937	51.57	2.66	33.76	1.74	4.10	.21	3.11	.16	92.54	4.78
1965	2,436	58.95	2.42	35.93	1.47	3.58	.15	2.61	.11	101.07	4.15
1970	3,376	82.92	2.46	48.20	1.43	2.98	.09	3.06	.09	137.16	4.06
1971											
I	883	20.54	2.33	11.76	1.33	.78	.09	.75	.08	33.83	3.83
II	900	21.80	2.42	11.42	1.27	.67	.07	.76	.08	34.65	3.85
III	906	22.87	2.52	11.91	1.31	.70	.08	.78	.09	36.26	4.00
IV	916	21.96	2.40	12.65	1.38	.84	.09	.79	.09	36.24	3.96
Year	3,605	87.11	2.42	47.74	1.32	2.98	.08	3.07	.09	140.90	3.91
1972											
I	930	23.91	2.57	13.04	1.39	.74	.08	.80	.09	38.49	4.14
II	947	24.03	2.54	12.31	1.30	.61	.06	.94	.10	37.89	4.00
III	966	25.02	2.59	12.66	1.31	.63	.07	.97	.10	39.28	4.07
IV	1,000	24.79	2.48	14.12	1.41	.80	.08	.74	.07	40.45	4.04
Year	3,843	97.75	2.54	52.17	1.36	2.77	.07	3.45	.09	156.14	4.06
1973											
I	1,036	26.74	2.58	14.62	1.41	.85	.08	.91	.09	43.12	4.16
II	1,061	26.35	2.48	14.74	1.39	.54	.05	.80	.08	42.43	4.00
III	1,085	28.08	2.59	15.83	1.46	.56	.05	.84	.08	45.31	4.18
IV	1,113	28.64	2.57	17.53	1.58	.76	.07	.66	.06	47.59	4.28
Year	4,295	109.89	2.56	62.90	1.46	2.73	.06	3.22	.08	178.74	4.16
1974											
I	1,124	30.33	2.70	17.86	1.59	.79	.07	.69	.06	49.67	4.42
II	1,142	28.65	2.51	15.89	1.39	.58	.05	.70	.06	45.82	4.01
III	1,171	30.74	2.63	16.11	1.38	.97	.08	.76	.06	48.58	4.15
IV	1,186	30.12	2.54	17.09	1.44	1.33	.11	.77	.06	49.32	4.16
Year	4,623	119.92	2.59	66.98	1.45	3.69	.08	2.91	.06	193.50	4.19
1975											
I	1,202	29.06	2.42	16.07	1.34	1.37	.11	.75	.06	47.25	3.93
II	1,268	30.79	2.43	16.03	1.26	1.38	.11	.73	.06	48.93	3.86
III	1,271	34,95	2.75	17.07	1.34	1.70	.13	.78	.06	54.50	4.29
IV	1,300	34.96	2.69	19.12	1.47	1.97	.15	.79	.06	56.84	4.37
Year	5,040	129.76	2.57	68.29	1.35	6.42	.13	3.05	.06	207.52	4.12
1976											
I	1,335	34.61	2.59	18,94	1.42	1.64	.12	.80	.06	55.99	4.19

[1] Estimated from retail weight of consumption times average retail price. Conversion factors of 0.74 for beef, 0.93 for pork, 0.83 for veal, and 0.89 for lamb and mutton were used to adjust carcass weight consumption to retail weight consumption.

[2] Based on the average retail price of Choice grade beef and does not attempt to account for prices of other grades or the value of away-from-home consumption.

Table 8—Average retail price of specified meat cuts, per pound, by months, 1972 to date

Year and item	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Cents	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
Beef:												
Porterhouse steak												
1972	176.3	180.8	181.3	177.8	175.3	180.1	187.1	187.3	184.9	180.2	182.0	179.7
1973	187.7	197.1	201.4	204.4	204.1	206.4	207.7	216.7	216.3	207.6	202.4	200.2
1974	201.3	214.7	211.5	206.0	204.1	206.6	205.8	220.2	226.6	216.4	212.0	207.8
1975	204.6	203.7	199.1	203.9	224.2	249.1	269.6	264.7	260.3	261.1	253.8	252.6
1976	252.8	241.4										
Round steak												
1972	143.9	151.0	151.3	147.4	143.7	145.9	151.0	150.7	147.1	145.9	147.7	146.6
1973	155.9	167.8	174.6	174.8	173.8	173.9	176.3	187.7	188.5	175.8	174.7	171.4
1974	176.7	193.4	187.3	178.8	175.6	174.9	174.0	182.9	185.9	178.7	177.8	171.0
1975	172.9	171.5	167.9	171.0	186.7	198.9	207.7	202.2	193.7	199.2	195.5	194.6
1976	197.8	185.7										
Rib roast												
1972	126.8	130.5	131.4	129.6	128.1	128.2	132.2	132.2	130.2	128.8	127.8	128.4
1973	137.2	142.3	148.6	150.9	152.4	153.4	154.4	160.1	161.5	157.8	154.5	153.8
1974	154.8	163.4	159.8	154.7	153.3	152.0	152.1	160.1	168.6	164.5	159.7	158.6
1975	160.7	157.3	154.9	155.9	167.8	184.0	206.2	200.3	194.4	191.8	189.6	192.2
1976	193.5	182.9										
Rump roast												
1972	141.0	148.1	149.1	146.0	142.1	145.3	149.3	150.1	147.0	145.7	146.3	145.8
1973	153.7	164.4	169.5	169.8	169.7	170.2	171.6	181.7	182.3	172.1	170.8	167.3
1974	171.8	186.9	182.0	174.8	172.2	171.6	170.5	177.2	180.8	174.3	174.5	169.9
1975	169.3	169.6	167.1	169.6	182.4	191.5	199.8	196.6	187.7	193.7	188.5	187.5
1976	190.7	181.8										
Chuck roast												
1972	79.1	84.2	85.1	83.0	80.7	79.8	83.5	84.6	82.2	81.2	81.1	81.1
1973	85.3	96.1	100.6	103.3	103.6	103.3	103.9	114.2	115.0	106.3	101.8	100.5
1974	101.0	114.7	113.0	102.7	97.4	95.0	95.4	102.2	105.0	101.2	99.5	98.2
1975	91.5	92.1	90.6	90.9	100.7	107.6	116.8	112.5	107.7	108.2	107.3	107.6
1976	103.4	102.0										
Hamburger												
1972	70.6	73.2	74.1	73.8	73.5	74.1	75.1	76.4	75.3	75.7	75.4	75.2
1973	78.2	83.9	91.3	94.2	94.6	95.3	94.8	103.8	106.2	104.2	101.5	100.4
1974	102.6	109.5	108.4	101.2	97.1	95.2	90.5	94.8	96.4	93.0	89.7	87.5
1975	85.4	82.8	80.5	80.5	86.7	90.6	93.8	92.7	90.1	90.8	90.4	88.8
1976	89.4	81.7										
Veal Cutlet												
1972	250.5	260.7	262.7	265.0	266.3	270.7	274.5	276.1	276.6	278.0	279.8	280.8
1973	284.6	295.7	308.5	314.0	314.1	313.5	315.9	324.6	323.4	326.2	327.4	326.0
1974	341.3	348.4	350.2	343.1	340.9	342.0	340.2	344.8	347.5	341.6	336.2	339.2
1975	328.1	323.0	317.2	319.2	325.1	326.4	333.5	325.9	320.9	319.5	320.4	322.7
1976	318.5	304.7										
Pork:												
Chops												
1972	112.3	125.1	119.9	116.8	115.6	120.7	131.6	128.9	132.5	131.3	130.9	129.3
1973	139.5	147.7	154.2	145.0	147.0	150.0	152.1	196.5	169.8	157.9	157.6	153.4
1974	162.7	164.0	158.5	149.7	143.7	139.8	153.9	158.9	164.5	161.9	161.2	159.0
1975	160.7	161.4	161.1	161.4	167.2	183.3	204.1	203.9	205.7	211.0	207.2	199.9
1976	189.1	192.8										
Roast, loin												
1972	79.5	86.9	85.5	82.8	82.1	85.1	93.1	92.1	93.1	93.2	93.3	92.0
1973	99.3	105.5	111.9	109.5	108.7	110.1	111.7	151.5	131.3	120.7	119.7	116.9
1974	122.9	123.9	121.1	111.7	107.5	102.9	113.3	117.6	121.6	119.8	119.1	117.2
1975	121.1	120.4	120.0	119.8	125.0	138.6	156.1	155.9	158.7	162.9	160.4	157.0
1976	149.2	151.2										
Bacon, sliced												
1972	83.2	93.9	92.7	92.5	91.2	93.1	95.7	99.4	99.8	106.0	103.7	103.5
1973	107.3	114.7	118.1	121.6	119.5	121.2	123.1	161.0	166.4	152.8	142.9	141.4
1974	139.1	143.4	137.1	124.8	118.1	109.7	108.9	132.6	140.6	141.6	143.8	144.2
1975	147.1	147.8	149.2	147.9	157.7	165.5	177.9	192.0	211.3	216.1	204.5	190.1
1976	176.9	176.1										
Ham, whole												
1972	74.9	76.6	77.8	76.7	75.2	76.3	77.5	78.0	78.6	79.9	81.9	85.5
1973	92.0	91.0	94.8	99.7	98.4	97.8	98.2	121.7	126.0	115.3	117.0	122.2
1974	121.3	115.9	114.2	108.9	97.3	92.6	89.9	99.0	101.1	102.7	108.8	113.8
1975	114.7	109.9	110.5	109.9	109.0	114.5	120.0	125.6	131.5	144.7	147.9	148.5
1976	148.5	142.9										
Lamb Chops												
1972	192.1	195.5	196.0	195.3	195.0	199.7	203.0	203.6	202.6	203.9	204.0	203.1
1973	205.3	218.1	225.5	227.5	226.6	224.5	228.8	241.4	240.8	227.1	223.4	230.1
1974	200.2	216.3	219.7	213.2	213.0	222.9	225.7	226.1	226.2	223.2	224.5	227.3
1975	252.1	254.8	255.3	256.2	264.4	275.3	280.4	282.3	283.3	282.9	283.2	283.4
1976	285.2	281.3										

Data from the Bureau of Labor Statistics.

Table 9—Beef and Pork Prices and Price Spreads

Date	Retail price per pound[1]	Carcass value[2]	Gross farm value[3]	Byproduct allowance[4]	Net farm value[5]	Farm-retail spread			Farmers' share
						Total	Carcass-retail	Farm-carcass	
	Cents	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Percent*
					Beef, Choice grade				
1970	98.6	68.3	66.2	4.7	61.5	37.1	30.3	6.8	62
1971	104.3	75.7	72.3	4.5	67.8	36.5	28.6	7.9	65
1972	113.8	80.1	79.8	7.4	72.4	41.4	33.7	7.7	64
1973	135.5	98.3	100.0	10.1	89.9	45.6	37.2	8.4	66
1974	138.8	97.4	93.8	7.7	86.1	52.7	41.4	11.3	62
1975	146.0	105.5	99.9	7.0	92.9	53.1	40.5	12.6	64
1972									
I	114.4	81.4	79.3	5.7	73.6	40.8	33.0	7.8	64
II	112.3	81.3	80.4	6.9	73.5	38.8	31.0	7.8	65
III	115.3	79.9	80.5	7.9	72.6	42.7	35.4	7.3	63
IV	113.2	77.8	78.9	8.9	70.0	43.2	35.4	7.8	62
1973									
I	129.2	95.2	96.6	9.4	87.2	42.0	34.0	8.0	67
II	135.8	100.2	102.7	10.0	92.7	43.1	35.6	7.5	68
III	141.8	105.6	110.4	11.6	98.8	43.0	36.2	6.8	70
IV	135.1	92.1	90.2	9.5	80.7	54.4	43.0	11.4	60
1974									
I	145.1	103.9	101.5	9.4	92.1	53.0	41.2	11.8	63
II	134.5	93.6	89.0	7.3	81.7	52.8	40.9	11.9	61
III	141.0	102.1	99.1	7.8	91.3	49.7	38.9	10.8	65
IV	134.5	90.2	85.4	6.1	79.3	55.2	44.3	10.9	59
1975									
I	129.2	86.6	80.3	5.1	75.2	54.4	43.0	11.4	58
II	146.5	113.4	108.4	7.1	101.3	45.2	33.1	12.1	69
III	156.4	115.4	108.7	7.9	100.8	55.6	41.0	14.6	64
IV	151.4	106.5	102.2	7.9	94.3	57.1	44.9	12.2	62
1976									
Jan.	148.6	96.4	91.2	7.7	83.5	65.1	52.2	12.9	57
Feb.	142.7	90.1	85.3	7.6	77.7	65.0	52.6	12.4	54
Mar.									
Apr.									
May									
June									
July									
Aug.									
Sept.									
Oct.									
Nov.									
Dec.									
					Pork				
1970	78.0	58.8	42.8	3.4	39.4	38.6	19.2	19.4	51
1971	70.3	52.1	35.0	2.7	32.3	38.0	18.2	19.8	46
1972	83.2	65.3	51.2	3.5	47.7	35.5	17.9	17.6	57
1973	109.8	87.3	78.2	6.7	71.5	38.3	22.5	15.8	65
1974	108.2	77.4	68.0	7.2	60.8	47.4	30.8	16.6	56
1975	135.0	103.8	94.8	7.9	86.9	48.1	31.2	16.9	64
1972									
I	79.0	61.4	47.0	3.3	43.7	35.3	17.6	17.7	55
II	79.9	61.1	47.5	3.3	44.2	35.7	18.8	16.9	55
III	86.1	67.2	55.2	3.8	51.4	34.7	18.9	15.8	60
IV	87.7	71.6	55.3	3.7	51.6	36.1	16.1	20.0	59
1973									
I	98.1	80.1	68.4	4.9	63.5	34.6	18.0	16.6	65
II	103.1	79.4	70.8	6.0	64.8	38.3	23.7	14.6	63
III	121.8	101.7	94.8	8.7	86.1	35.7	20.1	15.6	71
IV	116.1	87.9	78.9	7.4	71.5	44.6	28.2	16.4	62
1974									
I	115.2	82.3	73.8	7.7	66.1	49.1	32.9	16.2	57
II	99.3	66.4	53.2	5.3	47.9	51.4	32.9	18.5	48
III	107.4	77.6	70.1	7.3	62.8	44.6	29.8	14.8	58
IV	111.0	83.5	74.8	8.3	66.5	44.5	27.5	17.0	60
1975									
I	114.4	85.7	75.6	7.3	68.3	46.1	28.7	17.4	60
II	123.1	96.7	88.9	7.4	81.5	41.6	26.4	15.2	66
III	149.2	118.9	114.0	9.7	104.3	44.9	30.3	14.6	70
IV	153.4	113.9	100.9	7.3	93.6	59.8	39.5	20.3	61
1976									
Jan.	144.2	103.3	93.4	6.0	87.4	56.8	40.9	15.9	61
Feb.	141.6	101.5	94.3	6.5	87.8	53.8	40.1	13.7	62
Mar.									
Apr.									
May									
June									
July									
Aug.									
Sept.									
Oct.									
Nov.									
Dec.									

---

[1] Estimated weighted average price of retail cuts. [2] For quantity equivalent to 1 lb. of retail cuts: Beef, 1.41 lb. of carcass beef; Pork: 1.07 lb. of wholesale cuts. [3] Payment to farmer for quantity of live animal equivalent to 1 lb. of retail cuts: Beef, 2.28 lb.; Pork, 1.97 lb. [4] Portion of gross farm value attributed to edible and inedible byproducts. [5] Gross farm value minus byproduct allowance.

Table 10—Number of livestock on farms and ranches January 1, United States, 1965 to date

Year	Number on farms January 1				Index numbers, by groups (1967=100)			
	All cattle and calves	All sheep and lambs	Hogs[1]	Chickens[1]	Total livestock and poultry	Meat animals	Milk cattle	Poultry
	1,000 head	*1,000 head*	*1,000 head*	*1,000 head*				
1965	109,000	25,127	56,106	401,813	101	101	112	92
1966	108,862	24,734	50,519	400,242	99	99	106	93
1967	108,783	23,953	57,125	428,705	100	100	100	100
1968	109,371	22,223	58,818	424,361	100	100	96	97
1969	110,015	21,350	60,829	417,971	101	101	92	95
1970	112,369	20,423	57,046	422,096	102	102	89	96
1971	114,578	19,686	67,433	433,903	105	105	87	99
1972	117,862	18,710	62,507	425,576	107	107	87	97
1973	121,534	17,724	59,180	406,241	109	109	86	93
1974	127,670	16,394	61,106	412,503	114	114	84	95
1975	131,826	14,512	55,062	383,579	116	116	84	87
1976	127,976	13,346	49,602	379,192	112	112	83	87

[1] Number on farms December 1, preceding year.

Table 11—Production, prices and income from wool, United States, 1962-74

Year	Shorn wool					Pulled wool production
	Number sheep shorn[1]	Weight per fleece	Production	Price per pound	Value	
	1,000 head	*Pounds*	*1,000 pounds*	*Cents*	*1,000 dollars*	*1,000 pounds*
1964	25,455	8.34	212,333	53.2	112,877	25,100
1965	23,756	8.48	201,463	47.1	94,999	23,300
1966	22,923	8.51	195,053	52.1	101,204	24,100
1967	22,056	8.57	188,984	39.8	75,177	22,400
1968	20,759	8.55	177,396	40.5	71,778	20,500
1969	19,584	8.46	165,749	41.8	69,516	17,100
1970	19,163	8.43	161,587	35.5	57,162	15,200
1971	19,036	8.41	160,015	19.6	31,416	12,000
1972	18,816	8.44	158,918	35.0	55,626	9,700
1973	17,598	8.25	145,239	82.7	120,125	8,000
1974	16,142	8.24	132,963	59.1	78.625	5,700
1975	14,472	8.31	120,197	44.7	53,694	5,300

[1] Includes shearing at commercial feeding yards.

Table 12—Mohair: Production and value for 7 leading States, 1962-74[1]

Year	Number goats clipped[2]	Average clip per goat	Production of mohair	Price per pound	Value
	1,000 head	*Pounds*	*1,000 pounds*	*Cents*	*1,000 dollars*
1964	4,568	6.5	29,736	94.3	28,053
1965	4,803	6.7	32,420	65.5	21,251
1966	4,659	6.3	29,576	53.7	15,896
1967	4,113	6.6	27,127	40.9	11,100
1968	3,966	6.6	26,022	45.2	11,754
1969	3,174	6.6	20,810	65.1	13,549
1970	2,725	6.6	17,985	39.1	7,032
1971	2,189	6.8	14,885	30.1	4,480
1972	1,521	6.7	10,190	83.0	8,458
1973	1,450	6.8	9,930	187.0	18,569
1974	1,175	7.1	8,400	137.0	11,508
1975	1,215	7.1	8,600	185.0	15,910

[1] States are Missouri, Texas, New Mexico, Arizona, Utah, Oregon and California, Starting in 1969, data is for Texas only.

[2] In States where goats are clipped twice a year the number clipped is the sum of goats and kids clipped in the spring and kids clipped in the fall.

Table 13—Meat subject to U.S. import quota restriction: Product weight of imports by months, average 1959-63, 1964-76

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
	Mil. lb.	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*
1959-63 average .	47.3	49.6	57.5	54.3	48.5	58.6	67.1	84.1	76.1	61.6	56.1	61.4	722.2
1964	87.2	44.9	68.9	61.4	51.1	98.1	43.7	79.5	49.6	46.4	55.7	53.4	739.9
1965	28.2	34.5	68.7	32.4	52.3	41.9	58.5	59.9	62.2	64.4	57.2	53.7	613.9
1966	51.4	60.3	49.4	63.3	52.0	100.2	61.4	87.1	91.5	79.7	61.1	66.0	823.4
1967	77.4	58.5	61.9	58.8	51.5	69.6	88.7	92.2	89.8	91.8	82.3	72.4	894.9
1968	80.7	72.6	64.1	78.4	56.1	105.1	86.4	108.6	115.5	102.1	95.8	35.6	1,001.0
1969[1]	41.9	50.4	136.1	90.0	80.5	85.7	107.1	141.8	121.4	108.4	51.4	69.4	1,084.1
1970[1]	124.5	100.7	112.0	88.7	62.1	93.4	110.0	113.0	107.6	89.3	79.3	89.8	1,170.4
1971[1]	83.4	65.1	88.3	86.2	76.8	101.0	94.4	104.9	158.6	80.4	63.2	130.3	1,132.6
1972[1]	86.9	80.8	75.4	105.4	107.9	106.4	106.8	164.6	163.8	145.1	119.0	93.4	1,355.5
1973[1]	106.2	98.4	88.3	97.9	113.1	91.5	106.0	153.7	110.3	149.9	130.0	110.3	1,355.6
1974[1]	118.0	82.3	104.9	91.4	80.6	78.6	59.4	101.4	91.8	72.3	93.2	105.2	1,079.1
1975	135.5	97.5	106.0	86.1	75.8	100.9	104.3	112.8	114.5	85.2	121.7	68.6	1,208.9
1976	120.2	74.5											

[1] Rejections for calendar year 1969 equaled 13.5 million pounds, 17.4 million pounds for 1970, 21.0 million pounds for 1971, 17.8 million pounds for 1972, 18.4 million pounds for 1973, and 9.6 for 1974.

Table 14—U.S. meat imports and exports and percentage comparisons (carcass weight), 1975 and 1976

Months	Beef and veal			Lamb and mutton[1]			Pork			Total meat		
	1975	1976	Change	1975	1976	Change	1975	1976	Change	1975	1976	Change
	Mil. lb.	*Mil. lb.*	*Pct.*	*Mil. lb.*	*Mil. lb.*	*Pct.*	*Mil. lb.*	*Mil. lb.*	*Pct.*	*Mil. lb.*	*Mil. lb.*	*Pct.*
IMPORTS												
January	192	169	-12	1	2	+117	44	48	+8	237	219	-8
February	139	107	-23	2	3	+67	33	29	-11	174	139	-20
March	151			2			41			194		
April	124			3			37			164		
May	110			1			34			145		
June	146			2			31			179		
July	154			3			38			195		
August	167			4			26			197		
September	171			3			33			207		
October	137			2			39			178		
November	182			2			37			221		
December	109			2			36			147		
Total	1,782			27			429			2,238		
EXPORTS												
January	4.09	7.21	+77	0.39	0.24	-38	8.61	17.06	+98	13.09	24.51	+87
February	4.24	7.42	+75	.26	.29	+14	10.64	26.43	+148	15.14	34.14	+126
March	4.01			.39			24.88			29.28		
April	4.33			.37			10.68			15.38		
May	3.34			.40			13.42			17.16		
June	2.92			.29			19.18			22.39		
July	2.97			.37			23.74			27.08		
August	3.84			.26			22.18			26.28		
September	3.04			.28			18.99			22.31		
October	5.29			.37			17.14			22.80		
November	7.74			.27			19.36			27.37		
December	7.62			.29			22.25			30.16		
Total	53.43			3.94			211.07			268.44		

[1] Includes goat meat.

Table 15—U.S. imports of livestock and livestock products, 1970-75

Item	1970	1971	1972	1973	1974	1975[1]
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
Meat (carcass weight equivalent)						
Beef						
Boneless, fresh or frozen	1,484.2	1,447.4	1,714.5	1,771.2	1,416.7	1,611.0
Fresh or frozen	24.3	22.1	12.3	18.9	10.7	7.5
Total fresh or frozen	1,508.5	1,469.5	1,726.8	1,790.1	1,427.4	1,618.5
Canned	167.1	127.8	139.8	131.3	131.3	89.3
Pickled or cured	1.8	1.0	0.7	0.5	0.7	1.2
Other processed	114.8	135.4	92.9	68.9	56.4	48.5
Total	1,792.2	1,733.7	1,960.2	1,990.8	1,615.8	1,757.5
Veal						
Fresh or frozen	23.5	21.8	36.1	31.2	30.5	24.3
Pork						
Fresh or frozen	55.5	62.3	64.4	62.4	47.6	32.9
Hams and shoulders, not cooked	1.5	1.0	1.2	1.2	1.5	.8
Hams and shoulders, canned	339.7	357.4	403.6	415.3	389.5	375.0
Other	51.7	37.9	39.0	35.0	31.4	20.1
Total	448.4	458.6	508.2	513.9	470.0	428.8
Lamb	43.5	38.2	37.3	27.3	17.8	24.6
Mutton and Goat	79.0	64.6	111.2	25.8	7.8	2.2
Total red meat	2,386.6	2,316.9	2,653.0	2,589.0	2,141.9	2,237.5
Variety Meats (product weight)	9.8	6.5	7.9	7.2	5.9	5.6
Wool (clean basis)						
Dutiable	79.8	42.7	24.8	19.6	11.8	16.6
Duty-free	73.3	83.9	71.8	40.7	15.2	17.0
Total wool	153.1	126.6	96.6	60.3	27.0	33.6
	1,000 pieces	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*
Hides and Skins						
Cattle	386	276	292	709	520	959
Calf	189	67	87	216	200	68
Kip	353	168	174	222	239	154
Sheep and lamb	18,686	19,283	16,852	12,894	15,732	15,520
	Number	Number	Number	Number	Number	Number
Live Animals						
Cattle[2]	1,142,900	969,085	1,169,035	1,023,444	556,189	382,928
Hogs	67,832	77,532	89,032	87,615	196,347	29,768
Sheep and Lambs	11,716	5,454	13,765	9,514	900	3,497

[1] Preliminary. [2] Dutiable; not for breeding.

Table 16—U.S. exports of livestock and livestock products, 1970-75

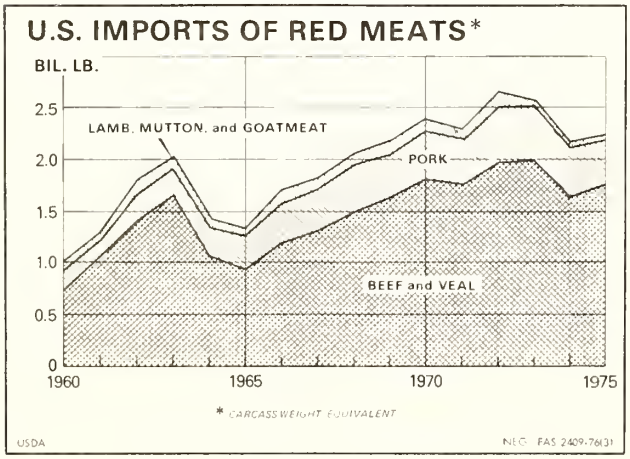
Item	1970	1971	1972	1973	1974	1975[1]
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
Meat (carcass weight equivalent)						
Beef:						
Fresh or frozen	18.3	28.9	41.3	68.0	43.9	42.7
Canned	2.4	2.0	2.0	1.5	2.7	.7
Pickled or cured	12.3	13.4	10.5	9.1	4.3	.9
Other Processed	5.7	6.1	5.7	8.1	8.3	6.3
Total	38.7	50.4	59.5	86.7	59.2	50.6
Veal						
Fresh or Frozen	.5	1.7	2.0	3.4	3.1	2.2
Total (includes canned)	1.1	2.4	2.6	4.2	4.0	2.8
Pork:						
Fresh or frozen	35.0	38.9	68.8	116.1	57.7	139.1
Hams and shoulders not cooked	7.1	6.8	12.9	28.9	21.1	44.7
Hams and shoulders, canned	2.8	3.1	3.2	3.1	2.3	1.8
Other canned	3.1	3.7	3.3	4.9	5.7	3.9
Other	20.4	19.9	18.2	18.1	17.8	21.6
Total	68.4	72.4	106.4	171.1	104.6	211.1
Lamb and mutton	1.8	2.1	2.0	2.7	4.0	3.9
Total red meat	110.0	127.3	170.5	264.7	171.8	268.4
Variety Meats (product weight)	239.5	277.5	254.1	281.9	295.9	293.6
Animal Fats:						
Lard	365.9	282.3	164.4	113.3	161.4	87.7
Inedible tallow and greases[2]	2,240.8	2,605.9	2,349.3	2,297.0	2,619.7	2,009.0
Edible tallow and greases[3]	20.6	10.0	18.9	22.2	65.5	10.5
Mohair (clean content)	10.9	12.4	19.3	10.6	8.0	9.0
	1,000 pieces	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*
Hides and Skins						
Cattle[4]	15,222	15,962	17,578	16,866	18,429	21,269
Calf	1,074	1,968	1,621	1,608	1,802	2,051
Kip	241	254	451	279	365	352
Sheep and lamb	3,822	5,934	5,872	5,792	4,897	4,571
	Number	*Number*	*Number*	*Number*	*Number*	*Number*
Live Animals						
Cattle	88,037	92,956	103,920	272,581	204,380	195,760
Hogs	24,845	17,347	12,316	16,802	15,801	15,960
Sheep, Lambs, and Goats	132,856	213,806	159,428	204,339	290,659	339,246

[1] Preliminary. [2] Includes inedible animal oils, greases, fats, and tallow. [3] Includes oleo oil, oleo steanin, and oleo stock, and edible tallow. [4] Excludes pieces that are reported in pounds, which were reported in pieces in previous years.

Table 17—U.S. imports, exports, and net imports of beef and veal, pork, lamb and mutton, and total meat in relation to domestic production 1967-75[1]

Year	Production	Imports	Exports	Net imports	Percentage of U.S. production		
					Imports	Exports	Net imports
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Percent*	*Percent*	*Percent*
				Beef and veal			
1967	21,011	1,327.7	42.2	1,285.5	6.3	.2	6.1
1968	21,614	1,518.0	38.2	1,479.8	7.0	.2	6.8
1969	21,831	1,640.5	36.7	1,603.8	7.5	.2	7.3
1970	22,273	1,815.7	39.8	1,775.9	8.2	.2	8.0
1971	22,446	1,755.5	52.8	1,702.7	7.8	.2	7.6
1972	22,878	1,996.3	62.1	1,934.2	8.7	.3	8.4
1973	21,634	2,022.0	90.9	1,931.1	9.3	.4	8.9
1974	23,496	1,646.3	63.2	1,583.1	7.0	.3	6.7
1975[2]	25,127	1,781.8	53.4	1,728.4	7.1	.2	6.9
				Pork			
1967	12,581	392.5	57.9	334.6	3.1	.5	2.7
1968	13,064	416.1	93.3	322.8	3.2	.7	2.5
1969	12,955	408.8	153.8	255.0	3.2	1.2	2.0
1970	13,438	448.4	68.4	380.0	3.3	.5	2.8
1971	14,792	458.6	72.4	386.2	3.1	.5	2.6
1972	13,639	508.2	106.4	401.8	3.7	.8	2.9
1973	12,751	513.9	171.1	342.8	4.0	1.3	2.7
1974	13,761	470.0	104.6	365.4	3.4	.8	2.7
1975[2]	11,975	428.8	211.1	217.7	3.6	1.8	1.8
				Lamb and mutton			
1967	646	120.9	2.6	118.3	18.7	.4	18.3
1968	602	146.9	2.8	144.1	24.4	.5	23.9
1969	550	152.3	2.3	150.0	27.7	.4	27.3
1970	551	112.5	1.8	120.7	22.2	.3	21.9
1971	555	102.8	2.1	100.7	18.5	.4	18.1
1972	543	148.5	2.0	146.5	27.4	.4	27.0
1973	514	53.1	2.7	50.4	10.3	.5	9.8
1974	463	25.6	4.0	21.6	5.5	.9	4.7
1975[2]	435	26.8	3.9	22.9	6.2	.9	5.3
				Total meat			
1967	34,238	1,841.1	102.7	1,738.4	5.4	.3	5.1
1968	35,280	2,081.0	134.3	1,946.7	5.9	.4	5.5
1969	35,336	2,201.6	192.8	2,008.8	6.2	.5	5.7
1970	36,262	2,386.6	110.0	2,276.6	6.6	.3	6.3
1971	37,795	2,316.9	127.3	2,189.6	6.1	.3	5.8
1972	37,060	2,653.0	170.5	2,482.5	7.2	.5	6.7
1973	34,899	2,589.0	264.7	2,324.3	7.4	.8	6.7
1974	37,720	2,141.9	171.8	1,970.1	5.7	.5	5.2
1975[2]	37,537	2,237.5	268.4	1,969.0	6.0	.7	5.3

[1] Carcass weight equivalent. [2] Preliminary.



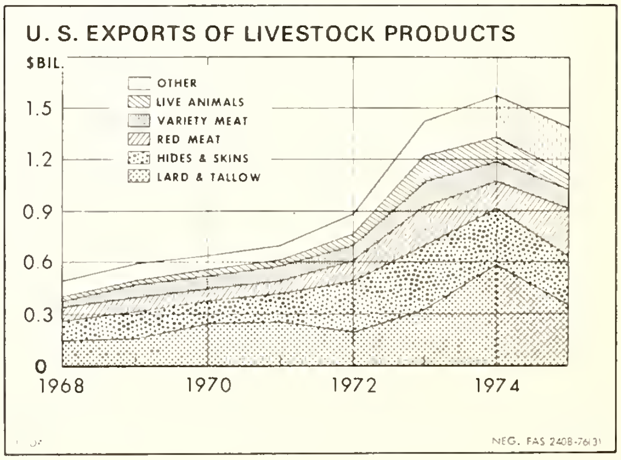


Table 18—Meat animals, meat and meat products: Value of United States imports and exports, 1973-75

Commodity	Imports for consumption			Exports		
	1973	1974	1975[1]	1973	1974	1975[1]
	Million dollars	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*
Live animals:						
Cattle and calves	204.3	116.7	82.2	126.0	112.4	77.2
Hogs	11.0	16.5	4.3	3.2	4.9	3.4
Sheep and lambs	.4	.1	.2	2.5	4.0	4.6
Meat:						
Beef and veal	1,173.7	896.7	661.4	97.7	64.9	70.1
Pork	440.5	389.6	429.9	111.0	66.9	181.5
Lamb, mutton and goat	22.1	15.1	15.3	1.5	2.3	3.0
Processed meats[2]	13.9	15.0	12.7	15.2	18.6	14.3
Tallow, greases, and lard	2.5	3.3	2.8	330.1	580.4	355.4
Variety meats	3.4	2.8	2.0	123.9	113.1	109.9
Casings	28.6	35.2	35.0	17.5	17.9	21.2
Hides and skins	83.5	76.3	77.6	375.4	337.2	292.9
Wool and mohair	78.5	39.2	37.3	13.6	10.2	16.2
Total	2,062.4	1,606.5	1,360.7	1,217.6	1,332.8	1,149.7

[1] Preliminary. [2] Includes sausage, canned meats, and canned specialities.

Table 19—U.S. imports of cattle from specified countries, excluding breeding animals and cows for dairy purposes, 1964-75

Year	700 pounds and over				Under 200 pounds			
	Canada	Mexico	Other	Total	Canada	Mexico	Other	Total
	Head	*Head*	*Head*	*Head*	*Head*	*Head*	*Head*	*Head*
1964	45,881	1,777	0	47,658	50,730	13,162	0	63,892
1965	136,551	14,077	0	150,628	64,070	16,921	0	80,991
1966	90,872	14,505	3	105,380	104,196	22,293	5	126,494
1967	17,958	3,936	26	21,920	87,184	10,553	1	97,738
1968	57,145	1,344	20	58,509	134,344	13,052	0	147,396
1969	42,528	4,099	52	46,679	126,683	32,459	1	159,143
1970	30,367	1,299	158	31,824	123,458	45,475	0	168,933
1971	24,278	1,100	205	25,583	126,221	32,467	1	158,689
1972	27,443	3,738	182	31,363	130,770	42,502	64	173,336
1973	54,168	22,744	505	77,417	128,418	15,213	220	143,851
1974	19,341	35,331	636	55,308	74,138	3,464	0	77,602
1975[1]	143,092	5,389	1,145	149,626	9,553	592	0	10,145

Year	200 to 699 pounds				Total			
	Canada	Mexico	Other	Total	Canada	Mexico	Other	Total
1964	86,713	315,962	700	403,375	183,324	330,901	700	514,925
1965	359,486	504,285	0	863,771	560,107	535,283	0	1,095,390
1966	280,522	547,287	319	828,128	475,590	584,085	327	1,060,002
1967	121,900	485,929	13	607,842	227,042	500,418	40	727,500
1968	114,628	687,912	7	802,547	306,117	702,308	27	1,008,452
1969	18,522	773,829	5	792,356	187,733	810,387	58	998,178
1970	17,122	889,809	61	906,992	170,947	936,583	219	1,107,749
1971	30,222	718,642	9	748,873	180,721	752,209	215	933,145
1972	69,637	869,527	4	939,168	227,850	915,767	250	1,143,867
1973	147,754	634,697	1,400	783,851	330,340	672,654	2,125	1,005,119
1974	17,787	395,905	85	413,777	111,266	434,700	721	546,687
1975[1]	30,745	190,062	44	220,851	183,390	196,043	1,189	380,622

[1] Preliminary.

Table 20—Meat exports: United States exports and shipments by countries, 1967 to date

Product and year	Exports, by destination, product weight											Ship-ments to terri-tories[1]	Total exports and shipments	
	Canada	Mexico	France	Ba-hamas	West Ger-many	Ja-maica	Japan	Nether lands	Vene-zuela	All other	Total		Product weight	Carcass weight equiva-lent
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
Beef and veal:														
1967	17.6	.2	.3	5.8	.1	1.2	.4	.2	(2)	5.5	31.3	36.4	67.6	94
1968	11.9	.4	.4	7.1	.1	1.1	.4	.1	(2)	5.5	27.0	37.5	64.5	94
1969	10.2	.4	.1	7.7	(2)	1.0	.6	.1	.1	5.5	25.7	33.6	59.3	87
1970	11.6	.4	.3	7.5	(2)	1.6	1.1	.2	(2)	6.6	29.3	45.9	75.2	104
1971	24.5	.2	.3	7.0	.2	1.8	1.7	.2	- - -	6.1	42.0	50.3	92.3	121
1972	34.3	.2	.3	6.6	.3	1.9	1.6	.2	(2)	6.8	52.2	38.8	91.0	124
1973	34.6	.3	.6	7.0	.2	1.4	24.8	.2	(2)	10.0	79.1	45.4	124.5	152
1974	15.5	.7	.4	6.7	(2)	1.5	13.4	.6	- - -	11.8	50.6	50.7	101.3	130
1975[4]	7.9	.9	.1	6.0	.2	1.3	17.7	.8	(2)	10.7	45.6	57.1	102.7	124
Lamb and mutton:														
1967	.2	.1	(2)	.5	- - -	(2)	- - -	- - -	(2)	1.0	1.8	1.7	3.5	6
1968	.3	(2)	- - -	.7	- - -	(2)	(2)	- - -	(2)	.9	1.9	1.9	3.8	7
1969	.1	(2)	(2)	.8	- - -	(2)	(2)	- - -	(2)	.5	1.4	1.6	3.0	6
1970	(2)	.1	- - -	.5	- - -	(2)	- - -	- - -	.1	.4	1.1	3.3	4.4	7
1971	.1	.1	- - -	.6	(2)	(2)	- - -	- - -	(2)	.5	1.3	3.5	4.8	8
1972	(2)	.1	- - -	.5	- - -	(2)	- - -	- - -	.1	.6	1.3	2.0	3.3	7
1973	.2	.1	(2)	.9	- - -	(2)	(2)	(2)	(2)	.5	1.7	1.0	2.7	6
1974	.8	.4	- - -	.7	- - -	.1	(2)	(2)	.1	.4	2.5	1.4	3.9	8
1975[4]	1.2	.4	- - -	.7	- - -	.1	- - -	(2)	.1	.4	2.9	2.2	5.1	8
Pork:														
1967	27.3	1.9	.3	3.5	.2	2.9	.6	.2	2.9	10.8	50.6	74.4	125.0	146
1968	36.4	2.9	.2	4.0	.1	3.2	25.1	.2	1.6	11.4	85.1	78.7	163.8	187
1969	64.4	3.9	.2	4.1	.4	2.2	57.4	.1	.8	11.6	145.1	63.4	208.5	236
1970	23.5	2.7	.1	3.5	.1	1.3	16.2	(2)	1.1	12.7	61.2	85.5	146.7	177
1971	13.6	2.1	.2	3.5	.1	2.2	25.7	.4	.9	16.6	65.3	93.4	158.7	183
1972	31.6	1.2	.1	3.6	.1	1.5	46.3	.2	.7	14.0	99.3	94.4	193.7	223
1973	43.4	1.5	.4	4.5	(2)	1.0	96.8	.2	.8	12.1	160.7	83.1	243.8	268
1974	51.0	1.6	.3	4.6	- - -	1.3	21.5	.1	1.1	13.1	94.6	76.5	171.1	196
1975[4]	74.5	1.7	.2	4.2	(2)	1.6	101.1	.3	1.0	16.4	201.0	83.3	284.3	310
Total[3]														
1967	47.8	2.7	.8	11.6	.6	5.0	1.4	.5	3.0	26.6	100.0	142.6	242.6	246
1968	50.9	4.2	.8	13.7	.5	5.0	26.1	.4	1.7	27.8	131.1	153.6	284.7	288
1969	78.1	6.2	.7	14.5	.6	3.7	58.6	.3	1.0	26.3	190.0	138.3	328.3	329
1970	38.9	3.8	.8	12.9	.3	3.7	17.8	.3	1.2	28.0	107.7	180.3	288.1	288
1971	42.6	2.8	1.7	12.5	.7	4.2	28.3	.6	.9	30.7	125.0	190.8	315.8	312
1972	70.7	2.1	1.4	12.2	.5	3.8	48.7	.6	.8	28.0	168.8	187.9	356.7	354
1973	84.3	2.5	2.6	14.0	.3	3.0	124.3	.5	1.0	30.5	263.0	168.9	431.9	426
1974	72.0	3.1	4.6	13.9	.1	3.5	37.5	1.0	1.2	35.9	172.8	168.2	337.8	334
1975[4]	88.6	3.6	.8	12.8	.3	3.3	120.6	1.2	1.2	34.5	266.9	182.8	449.7	442

[1] Puerto Rico and Virgin Islands, Guam and Wake. Puerto Rico and Virgin Islands only since 1970. [2] Less than 50,000 pounds. [3] Including sausage, bologna and frankfurters canned and not canned, sausage ingredients, meat and meat products n.e.c. [4] Preliminary.

Source: Compiled from official records of the Bureau of the Census.

Table 21—Meat imports: United States by countries, 1967 to date

Product and year	Imports, by country of origin, product weight												Total imports	
	Canada	Mexico	Ar-gentina	Brazil	Den-mark	West Ger-many	Poland	Nether-lands	Ireland	Aus-tralia	New Zea-land	All other	Product weight	Carcass weight equiva-lent
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
Beef and veal:														
1967	26.7	47.8	108.1	9.6	.1	(1)	(1)	(1)	80.6	425.6	170.9	109.6	979.0	1,328
1968	46.7	65.6	132.6	31.6	.1	(1)	.1	(1)	56.7	444.2	203.1	147.3	1,128.0	1,518
1969	44.0	66.5	130.0	34.3	.2	(1)	(1)	(1)	66.0	491.1	223.7	160.8	1,216.6	1,640
1970	80.6	78.6	141.1	28.8	.4	(1)	(1)	(1)	69.0	535.8	241.6	174.2	1,350.1	1,816
1971	80.1	79.1	88.4	63.0	2.2	(1)	(1)	(1)	64.0	505.4	241.8	186.7	1,310.7	1,756
1972	59.6	81.9	94.1	48.0	2.4	.2	---	(1)	31.1	674.7	266.4	222.5	1,480.9	1,996
1973	56.3	67.0	81.5	46.2	2.2	1.2	---	(1)	22.0	697.9	291.3	231.1	1,496.7	2,022
1974	36.9	38.8	89.0	39.5	2.7	.7	---	(1)	44.0	514.3	259.9	192.1	1,217.9	1,646
1975[3]	21.4	29.8	56.2	34.9	2.9	.1	---	---	6.8	681.2	276.8	204.6	1,314.7	1,782
Lamb and mutton:														
1967	2	---	---	---	---	---	---	---	---	56.8	9.4	.2	66.6	121
1968	(1)	---	---	---	---	---	---	---	---	71.2	13.5	.2	84.9	147
1969	.7	---	---	---	---	---	---	---	---	73.9	23.4	.1	98.1	153
1970	.6	---	---	---	---	---	---	---	---	60.1	22.2	.1	83.0	122
1971	(1)	---	---	---	---	---	---	---	---	58.0	12.4	.1	70.5	103
1972	.3	---	---	---	---	---	---	---	---	72.4	20.1	.1	92.9	148
1973	.1	.3	---	---	---	---	---	---	---	17.8	21.9	.2	40.3	53
1974	(1)	1.6	---	---	---	---	---	---	(1)	6.6	13.4	.1	21.7	26
1975[3]	---	---	---	---	---	---	---	---	---	5.5	19.5	.7	25.7	27
Pork:														
1967	54.8	(1)	.3	---	102.3	1.4	57.2	74.6	.2	.1	(1)	16.0	306.9	392
1968	55.5	(1)	(1)	.1	111.9	1.4	55.1	82.2	.3	(1)	(1)	17.6	324.1	416
1969	49.9	(1)	.1	(1)	108.6	1.8	53.6	85.6	.2	.2	(1)	15.5	315.5	409
1970	63.2	(1)	(1)	---	120.6	1.4	56.0	86.7	.1	.3	(1)	19.3	347.6	449
1971	69.4	---	(1)	---	128.1	1.7	54.9	82.5	.1	.3	---	19.5	356.5	458
1972	67.5	4.0	(1)	---	151.8	1.2	66.6	75.3	.2	.4	.1	27.6	394.7	508
1973	68.2	---	---	---	138.7	1.2	61.4	93.9	.2	2.2	.1	32.6	398.5	514
1974	53.7	---	---	.1	122.0	1.0	64.2	78.8	.5	.2	.2	41.3	362.0	470
1975[3]	37.3	---	(1)	---	91.1	.7	80.3	70.0	.2	.1	(1)	47.4	327.1	429
Total:[2]														
1967	81.7	47.8	108.8	9.6	119.0	2.1	57.8	74.9	80.8	483.1	180.3	127.3	1,373.2	1,841
1968	102.3	65.6	132.8	31.7	127.6	2.2	55.9	82.4	57.0	515.8	216.7	166.6	1,556.6	2,081
1969	94.6	66.5	130.3	34.3	126.8	2.7	54.1	85.8	66.2	566.5	247.2	178.0	1,653.0	2,202
1970	144.6	78.6	141.1	28.8	144.3	2.3	56.2	88.1	69.1	597.3	264.0	195.3	1,809.7	2,387
1971	149.5	79.1	88.5	63.0	148.8	2.4	55.0	83.4	64.1	564.3	254.2	207.7	1,760.0	2,317
1972	127.5	85.9	94.2	48.0	172.1	2.2	66.7	75.7	31.3	747.9	286.7	251.7	1,989.9	2,653
1973	125.1	67.3	81.5	46.2	155.2	2.9	61.8	94.0	22.2	718.5	313.2	265.8	1,953.7	2,589
1974	91.0	40.4	89.0	39.6	136.4	2.2	64.6	79.0	44.6	521.5	273.5	235.4	1,617.2	2,142
1975[3]	59.1	29.8	56.2	35.1	101.0	1.1	84.4	70.3	7.0	687.0	296.5	254.2	1,681.7	2,238

[1] Less than 50,000 pounds. [2] Includes quantities of other canned, prepared or preserved meat n.e.s. [3] Preliminary.

Compiled from official records of the Bureau of the Census.

Supply and distribution of commercially produced meat, by months, carcass weight

Meat and period	Supply			Distribution				
	Production[1]	Beginning stocks	Imports	Exports and shipments	Ending stocks	Military	Civilian consumption	
							Total	Per person[2]
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Pounds*
Beef:								
1975								
January	2,100	402	188	10	407	17	2,256	10.7
February	1,843	407	138	8	386	19	1,975	9.4
March	1,890	386	149	8	383	16	2,018	9.6
April	1,894	383	123	8	348	24	2,020	9.6
May	1,849	348	109	9	308	24	1,965	9.3
June	1,849	308	145	8	288	35	1,971	9.3
July	1,915	288	153	7	268	17	2,064	9.8
August	1,961	268	166	10	257	25	2,103	9.9
September	2,066	257	169	9	255	30	2,198	10.4
October	2,270	255	135	8	273	28	2,351	11.1
November	1,971	273	177	14	321	22	2,064	9.7
December	2,056	321	106	11	350	20	2,102	9.9
1976								
January	2,207	350	165	12	350	(18)	2,342	11.0
February	1,966	350	105	(12)	359	(15)	2,035	9.6
Veal:								
1975								
January	59	14	4	1	14	1	61	.3
February	50	14	1	1	14	(3)	50	.2
March	56	14	2	1	13	1	57	.3
April	60	13	1	2	11	1	60	.3
May	59	11	1	1	11	1	58	.3
June	63	11	1	1	10	(3)	64	.3
July	77	10	1	1	8	1	78	.4
August	73	8	1	2	9	1	70	.3
September	82	9	2	1	8	(3)	84	.4
October	95	8	2	2	9	1	93	.4
November	77	9	5	(3)	10	1	80	.4
December	76	10	3	1	11	1	76	.3
1976								
January	73	11	4	1	11	(1)	75	.4
February	62	11	2	(1)	10	(1)	63	.3
Lamb & Mutton:								
1975								
January	35	14	1	1	12	(3)	37	.2
February	31	12	2	(3)	11	(3)	34	.1
March	35	11	2	(3)	9	(3)	39	.2
April	34	9	3	(3)	10	(3)	36	.2
May	31	10	1	1	9	(3)	32	.1
June	31	9	2	1	7	(3)	34	.2
July	32	7	3	1	9	(3)	32	.2
August	32	9	4	1	10	(3)	34	.1
September	40	10	3	1	11	(3)	41	.2
October	38	11	2	1	11	(3)	39	.2
November	28	11	2	1	12	(3)	28	.1
December	32	12	2	(3)	12	(3)	34	.2
1976								
January	33	12	2	1	11	(3)	35	.2
February	29	11	3	(1)	11	(3)	31	.1
Pork:								
1975								
January	1,113	307	44	17	294	6	1,147	5.5
February	954	294	33	17	300	8	956	4.5
March	976	300	41	30	299	6	982	4.6
April	1,100	299	37	18	343	9	1,066	5.1
May	925	343	34	22	322	10	948	4.5
June	889	322	31	30	283	11	918	4.3
July	817	283	38	31	228	8	871	4.1
August	794	228	26	31	185	13	819	3.9
September	901	185	33	26	187	11	895	4.2
October	936	187	39	24	224	11	903	4.3
November	904	224	37	31	269	6	859	4.0
December	996	269	36	33	249	7	1,012	4.8
1976								
January	953	249	48	23	236	(6)	985	4.6
February	850	236	29	(20)	223	(6)	866	4.1
Total Meat:								
1975								
January	3,307	737	237	29	727	24	3,501	16.7
February	2,878	727	174	26	711	27	3,015	14.2
March	2,957	711	194	39	704	23	3,096	14.7
April	3,088	704	164	28	712	34	3,182	15.1
May	2,864	712	145	33	650	35	3,003	14.2
June	2,832	650	179	40	588	46	2,987	14.1
July	2,841	588	195	40	513	26	3,045	14.4
August	2,860	513	197	44	461	39	3,026	14.3
September	3,089	461	207	37	461	41	3,218	15.2
October	3,339	461	178	35	517	40	3,386	16.0
November	2,980	517	221	46	612	29	3,031	14.3
December	3,160	612	147	45	622	28	3,224	15.2
1976								
January	3,266	622	219	37	608	(25)	3,437	16.2
February	2,907	608	139	(34)	603	(22)	2,995	14.1

---

[1] Excludes production from farm slaughter. [2] Derived from estimates by months of population eating out of civilian food supplies. [3] Less than 500,000 lb.

Selected price statistics for meat animals and meat

Item	1975							1976		
	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March
	Dollars per 100 pounds									
MARKET PRICES:										
SLAUGHTER CATTLE:										
Steers:										
Omaha:										
Choice, 900-1100 lb.	51.82	50.21	46.80	48.91	47.90	45.23	45.01	41.18	38.80	36.14
Good, 900-1100 lb.	45.85	43.34	39.52	41.09	41.39	41.19	40.65	37.75	36.14	33.77
California, Choice 900-1100 lb.	53.94	50.50	45.75	—	45.58	45.56	47.25	41.06	39.62	37.75
Colorado, Choice 900-1100 lb.	53.86	50.98	46.48	48.99	47.79	45.58	45.81	41.22	38.87	35.35
Cows:										
Omaha:										
Commercial	23.55	22.13	21.99	23.45	23.45	21.91	23.01	24.42	27.11	28.31
Utility	23.32	22.00	21.29	22.45	22.01	20.73	21.64	23.26	25.90	27.45
Cutter	19.94	19.42	18.84	19.64	18.70	18.30	19.47	20.89	23.62	25.09
Canner	16.91	16.90	16.72	17.02	15.66	15.34	16.95	18.45	20.25	21.80
Vealers, Choice, S. St. Paul	39.15	39.01	37.10	36.57	42.52	43.95	43.52	51.90	50.05	50.58
FEEDER STEERS:										
Kansas City:										
Choice, 400-500 lb.	35.82	32.58	31.70	35.15	36.04	36.26	35.94	37.47	41.40	44.01
Choice, 600-700 lb.	36.81	34.70	34.34	37.59	38.09	38.26	37.83	37.46	40.42	39.69
Good, 600-700 lb.	30.16	28.60	29.15	33.48	33.10	32.14	31.50	31.45	35.92	36.28
All weights and grades	35.30	32.53	32.93	35.98	36.74	36.77	37.79	36.66	36.95	38.82
Amarillo:										
Choice, 600-700 lb.	36.91	34.40	34.18	37.11	36.15	37.75	39.40	37.67	40.40	39.24
Good, 600-700 lb.	32.75	29.38	23.12	28.62	30.08	30.88	31.19	28.38	33.27	31.16
Georgia Auctions:										
Choice, 600-700 lb.	31.38	30.40	28.06	30.56	30.65	32.00	34.17	33.00	35.75	36.15
Good, 400-500 lb.	25.44	23.00	22.50	24.38	24.25	25.94	27.67	27.75	31.19	32.90
SLAUGHTER HOGS:										
Barrows and Gilts:										
Omaha:										
Nos. 1 & 2, 200-220 lb.	52.19	57.81	58.73	61.26	59.72	51.68	50.28	50.34	49.70	47.23
Nos. 1 & 2, 220-240 lb.	52.26	58.00	58.89	61.30	59.77	51.63	50.20	50.24	49.68	47.23
All weights	50.77	56.66	57.88	61.11	58.20	49.50	47.46	47.81	48.43	46.40
Sioux City	51.31	57.25	58.12	61.19	58.76	49.78	48.36	48.06	48.92	46.50
7 markets[1]	51.19	57.17	58.10	61.23	58.52	49.74	48.33	48.40	48.85	46.71
Sows:										
7 markets[1]	44.28	49.74	51.89	54.56	51.94	42.25	38.50	40.48	44.03	42.24
FEEDER PIGS:										
U.S. No. 1 & 2, So. Mo., 40-50 lb. (per hd.)	44.65	44.10	46.75	59.81	56.55	48.92	44.19	48.38	50.16	48.80
SHEEP AND LAMBS:										
Slaughter:										
Lambs, Choice, San Angelo	46.06	45.25	40.75	43.50	44.50	46.83	48.75	49.25	49.00	56.25
Lambs, Choice, So. St. Paul	45.94	44.09	39.91	42.14	43.14	43.58	46.19	46.94	46.56	50.92
Ewes, Good, San Angelo	15.38	17.00	13.44	12.94	12.35	14.83	17.44	17.75	16.12	18.90
Ewes, Good, So. St. Paul	9.83	9.94	8.15	8.75	8.93	8.00	9.46	12.20	12.50	12.81
Feeder Lambs:										
Choice, San Angelo	39.69	40.25	38.75	41.25	42.62	46.33	48.38	48.38	49.69	56.30
Choice, So. St. Paul	37.35	37.10	35.52	36.63	41.70	43.58	46.11	47.18	46.00	50.21
FARM PRICES:										
Beef cattle:	38.50	36.20	33.10	34.80	34.40	33.20	34.50	33.50	34.20	33.60
Steers and heifers	42.60	40.70	37.10	38.70	38.30	37.50	39.10	37.20	36.80	35.30
Cows	21.90	20.60	19.70	20.50	19.80	20.00	20.10	22.10	25.10	27.00
Calves	29.70	28.10	25.70	27.40	27.40	29.20	30.70	31.40	34.40	35.30
Hogs	47.30	54.10	56.00	58.50	58.00	49.00	47.50	47.50	47.90	45.50
Sheep	11.40	11.90	11.00	11.50	11.10	10.90	11.90	12.20	12.50	13.40
Lambs	45.10	43.50	39.80	40.40	42.30	43.90	46.20	47.70	46.80	49.70
MEAT PRICES:										
Wholesale:										
Midwest Markets:[2]										
Steer beef, Choice, 600-700 lb.	85.76	82.82	77.95	79.66	75.62	72.98	73.25	66.68	62.22	56.97
Heifer beef, Choice, 500-600 lb.	85.03	81.63	76.20	77.40	73.66	71.79	70.69	64.68	60.29	56.01
Cow beef, Canner and Cutter	46.64	45.48	43.67	45.40	44.10	43.40	44.61	49.12	53.25	56.44
Pork loins, 8-14 lb.	102.04	105.79	105.51	110.67	109.22	99.12	90.46	97.80	95.36	85.25
Pork bellies, 12-14 lb.	82.21	92.35	105.46	103.48	91.44	78.32	69.13	75.06	67.37	67.42
Hams, skinned, 14-17 lb.	79.91	84.75	91.08	99.08	105.70	101.04	101.81	83.43	80.68	85.48
East Coast:										
Steer beef, Choice 600-700 lb.	88.01	84.92	80.09	82.40	79.09	76.13	76.96	69.98	65.14	60.04
Lamb, Choice and Prime, 35-45 lb.	96.75	99.29	91.67	92.36	95.40	99.38	102.34	102.81	102.13	109.40
Lamb, Choice and Prime, 55-65 lb.	96.50	99.29	91.67	92.36	95.20	98.19	99.48	98.00	98.33	105.43
West Coast:										
Steer Beef, Choice, 600-700 lb.	89.16	86.89	81.26	82.80	79.63	75.45	77.61	71.84	66.22	61.33
PRICE INDEXES (BLS, 1967=100)										
Wholesale meat	199.3	208.0	203.4	209.3	209.1	198.3	196.0	190.4	180.3	
Retail meat	177.8	188.5	190.4	190.5	194.3	192.4	189.8	186.8	182.8	
Beef and veal	176.6	186.4	182.5	176.7	178.3	175.3	174.7	174.9	168.3	
Pork	187.9	204.9	214.3	222.4	230.9	227.5	219.6	210.1	205.4	
Other meats	166.4	170.1	174.5	176.0	178.3	180.7	181.2	180.3	178.8	
LIVESTOCK-FEED RATIOS, OMAHA[3]										
Beef steer-corn	18.2	17.2	15.0	16.6	17.4	17.7	17.6	16.0	14.9	13.8
Hog-corn	17.9	19.4	18.6	20.7	21.2	19.4	18.5	18.6	18.6	17.8

[1] St. Louis N.S.Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis. [2] Prior to Oct., 1975, Chicago Market. [3] Bushels of No. 2 Yellow Corn equivalent in value of 100 pounds liveweight.

Selected marketings, slaughter and stock statistics for meat animals and meat

Item	Unit	1975								1976	
		May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
FEDERALLY INSPECTED:											
Slaughter:											
Cattle	1,000 head	2,851	2,897	3,084	3,141	3,319	3,584	3,116	3,267	3,403	3,032
Steers	1,000 head	1,364	1,304	1,332	1,308	1,286	1,288	1,133	1,229	1,350	1,306
Heifers	1,000 head	684	714	741	817	948	993	815	833	969	899
Cows	1,000 head	719	787	912	923	991	1,198	1,081	1,123	1,009	760
Bulls and stags	1,000 head	84	92	99	93	94	105	87	82	75	67
Calves	1,000 head	270	276	344	345	385	443	358	381	369	327
Sheep and lambs	1,000 head	615	613	635	621	758	701	515	584	582	513
Hogs	1,000 head	5,376	5,077	4,659	4,627	5,217	5,379	5,084	5,508	5,400	4,873
Percentage sows	Percent	5	6	7	7	6	5	5	6	5	4
Average live weight per head											
Cattle	Pounds	1,017	999	983	981	987	997	1,000	1,008	1,020	1,026
Calves	Pounds	227	231	237	225	224	233	232	227	232	215
Sheep and lambs	Pounds	101	101	101	102	104	108	108	109	110	111
Hogs	Pounds	240	244	241	237	238	240	246	246	243	236
Average dressed weight											
Beef	Pounds	596	587	571	574	571	579	578	576	597	598
Veal	Pounds	127	132	133	126	126	130	130	127	130	123
Lamb and mutton	Pounds	50	49	49	50	51	52	53	54	56	56
Pork	Pounds	163	167	166	164	165	167	170	172	168	167
Lard	Pounds	15	14	14	14	14	14	16	15	16	13
Production:											
Beef	Mil. lb.	1,694	1,697	1,756	1,798	1,890	2,069	1,796	1,874	2,024	1,808
Veal	Mil. lb.	34	36	45	43	48	57	46	48	48	40
Lamb and mutton	Mil. lb.	30	30	31	31	38	36	27	31	32	28
Pork	Mil. lb.	876	842	773	755	861	896	864	943	906	903
Lard	Mil. lb.	83	71	64	64	72	75	81	81	84	64
COMMERCIAL:											
Slaughter:[1]											
Cattle	1,000 head	3,149	3,193	3,400	3,468	3,672	3,988	3,471	3,633	3,762	3,336
Calves	1,000 head	371	382	468	466	515	591	476	492	466	408
Sheep and lambs	1,000 head	636	636	658	648	785	732	536	606	601	528
Hogs	1,000 head	5,693	5,386	4,955	4,883	5,468	5,638	5,339	5,841	5,698	5,122
Production:											
Beef	Mil. lb.	1,849	1,849	1,915	1.961	2,066	2,270	1,971	2,056	2,207	1,966
Veal	Mil. lb.	59	63	77	73	82	95	77	76	73	62
Lamb and mutton	Mil. lb.	31	31	32	32	40	38	28	32	33	29
Pork	Mil. lb.	925	889	817	794	901	936	904	996	953	850
Lard	Mil. lb.	86	74	68	67	75	78	83	84	87	67
COLD STORAGE STOCKS FIRST OF MONTH:											
Beef	Mil. lb.	348	308	288	268	257	255	273	321	350	350
Veal	Mil. lb.	11	11	10	8	9	8	9	10	11	11
Lamb and mutton	Mil. lb.	10	9	7	9	10	11	11	12	12	11
Pork	Mil. lb.	343	322	283	228	185	187	224	269	249	236
Total meat and meat products[2]	Mil. lb.	794	722	652	573	514	515	574	668	675	672
FOREIGN TRADE:											
Imports: (carcass weight)											
Beef and veal	Mil. lb.	110	146	154	167	171	137	182	109	169	107
Pork	Mil. lb.	34	31	38	26	33	39	37	36	48	29
Lamb and mutton	Mil. lb.	1	2	3	4	3	2	2	2	2	3
Exports: (carcass weight)											
Beef and veal	Mil. lb.	3.34	2.92	2.97	3.84	3.05	5.29	7.74	7.62	7.22	7.42
Pork	Mil. lb.	13.42	19.18	23.73	22.18	18.98	17.14	19.36	22.25	17.06	26.43
Lamb and mutton	Mil. lb.	.40	.29	.37	.26	.28	.37	.27	.30	.24	.29
Live animal imports:											
Cattle	Number	18,997	33,064	18,801	5,110	25,861	41,724	82,096	133,704	90,507	52,135
Hogs	Number	2,433	385	48	2,574	4,506	4,629	3,186	2,566	2,221	1,911
Sheep and lambs	Number	39	97	22	795	737	866	790	74	932	153
Live animal exports:											
Cattle	Number	15,260	15,223	18,348	9,873	13,898	16,826	19,585	15,822	12,263	13,356
Hogs	Number	1,532	785	2,647	758	799	1,015	1,731	1,106	306	517
Sheep and lambs	Number	28,275	40,680	36,656	30,719	17,518	14,373	9,859	29,680	13,346	6,805

[1] Federally inspected and other commercial. [2] Includes stocks of canned meats in cooler in addition to the meats listed.

THE NEW BEEF CARCASS QUALITY GRADE STANDARDS: WHAT THE CHANGES MEAN

by
Dennis R. Campion and Virden L. Harrison[1]

ABSTRACT: Effects of the new beef grading system were examined using carcass data from two experiments. The new grading system resulted in a reduction by about one-third in the number of steers grading Good, but this was offset by increases in the number of steers grading Standard, Choice, and Prime. No meaningful differences in tenderness or overall acceptability were detected by a taste panel for steaks graded Choice under the old and new systems.

KEYWORDS: Beef grades, grade standards, palatability, quality.

Several changes were incorporated into the carcass beef quality grade standards on February 23 of this year. These changes were proposed to reduce the variation in palatability within each grade and to more fully identify value differences in beef carcasses. Two of these changes relate specifically to young carcasses from cattle generally 9 to 30 months old (A maturity). First, minimum marbling requirements in the Prime, Choice, Good, and Standard grades do not increase with increasing maturity. Second, marbling requirements for the Good grade are narrowed to include only a slight amount of marbling. Two other changes relate to the grading of all carcasses—carcass conformation is eliminated as a factor in determining the quality grade, and all graded beef carcasses (except bull carcasses) must be identified for both quality grade and yield grade.

Two studies were recently completed at the U.S. Meat Animal Research Center, Clay Center, Nebraska in cooperation with Kansas State Agricultural Experiment Station at Manhattan. A portion of the data from these studies was analyzed to point out the significance of the quality grade changes to both producer and consumer. The results of each study reported here are presented separately (Study 1 and Study 2) because of differences in experimental design. This analysis does not address the full economic impact of the new grading standards. Although the cattle and beef carcasses studied included various breeds and energy rations, the feeding program was not representative of the entire U.S. cattle feeding industry. For example, the feeding periods were longer than typically used by commercial cattle feeders and some cattle were fed on an energy ration lower than normal for the industry. However, the results of the analysis provide some basis for judging the overall impact of the new grading standards. Specific percentage figures only apply to the carcasses graded within the scope of these two samples.

Study 1

In Study 1 a comparison was made between old (USDA 1965) and new (USDA 1976), grades in relation to palatability of steaks from young steer carcasses. The effect of the new changes on distribution of carcasses by quality grade was also evaluated.

The steers evaluated were from Hereford and Angus cows artificially mated to Hereford, Angus, Charolais, Jersey, South Devon, Simmental, and Limousin bulls. After weaning at about 215 days of age, animals entered the feedlot and were started on an 85 percent corn silage ration, which was gradually reduced over a 2-month period to 60 percent corn silage. Animals were slaughtered at 1 of 3 ages (424, 458, or 491 days of age), with about one-third of the steers from each breed of sire being slaughtered each time.

---

[1] Campion is a Meat Scientist with the Agricultural Research Service and Harrison is an Agricultural Economist with the Economic Research Service. Both are stationed at the U.S. Meat Animal Research Center, Clay Center, Nebraska.

To assess changes in grade distribution resulting from changes in the grade standards, 1,117 carcasses were used. Taste panel palatability information was obtained on rib steaks from 494 of the above steer carcasses. Tenderness, juiciness, flavor, and overall acceptability were scored from 1 to 9 by the taste panel using the following descriptive interpretation: 1 = extremely undesirable; 2 = undesirable; 3 = moderately undesirable; 4 = slightly undesirable; 5 = acceptable; 6 = slightly desirable; 7 = moderately desirable; 8 = desirable; and 9 = extremely desirable. Carcasses were A maturity or from young steers.

Generally, as the quality grade (as evaluated by both grade standards) decreased from Prime to Standard, palatability decreased. The relationship between tenderness and overall acceptability with quality grade is illustrated in figures 1 and 2. These figures show that the values for tenderness and overall acceptability at any level of any grade are well above the minimum score of 5 which was required to be judged acceptable. and serve to illustrate that rib steaks from young steer carcasses fed 200 days or more are very acceptable in palatability regardless of quality grade or quality grade system. The small differences in palatability for the 2 grade systems suggest that consumers will continue to enjoy a level of eating satisfaction similar to what they are accustomed for their particular grade of beef. This important point is further illustrated in table 1. No appreciable differences in tenderness or overall acceptability ratings were found between rib steaks graded Choice by the old standards and those graded Choice by the new standards. Thus, consumers buying Choice grade beef will not detect any lower quality.

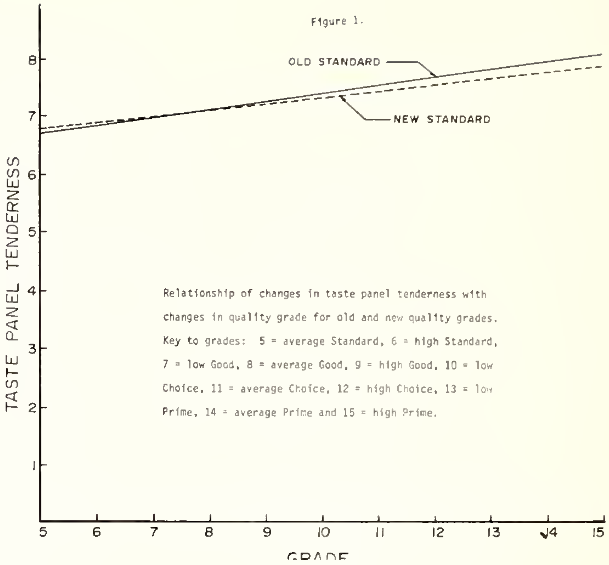


Figure 1.

Relationship of changes in taste panel tenderness with changes in quality grade for old and new quality grades. Key to grades: 5 = average Standard, 6 = high Standard, 7 = low Good, 8 = average Good, 9 = high Good, 10 = low Choice, 11 = average Choice, 12 = high Choice, 13 = low Prime, 14 = average Prime and 15 = high Prime.

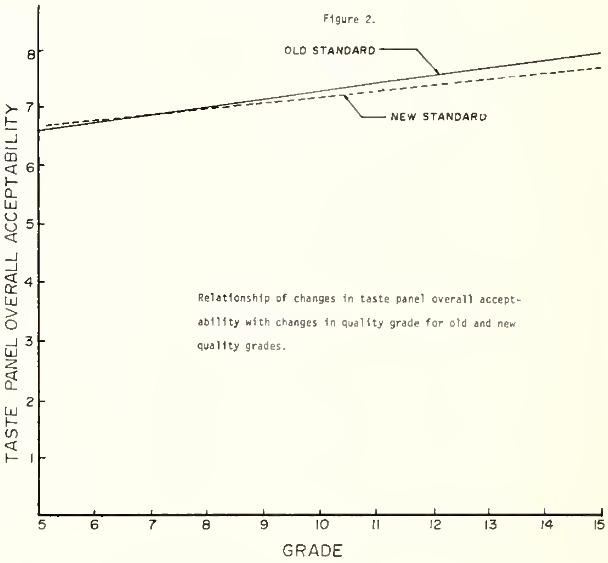


Figure 2.

Relationship of changes in taste panel overall acceptability with changes in quality grade for old and new quality grades.

Table 1—Quality Grade Mean Values for Taste Panel Tenderness and Overall Acceptability for Old and New Quality Grades

Grade	Old	New
Choice		
tenderness	7.4	7.3
overall acceptability	7.4	7.3
Low Choice		
tenderness	7.3	7.3
overall acceptability	7.3	7.3
Good		
tenderness	7.1	7.1
overall acceptability	7.1	7.1

Distribution of carcasses within level of quality grade under the old system and the new system for each breed sire is presented in table 2. The percentage of carcasses graded Choice or better was 58 percent and 68 percent using the old and new systems, respectively. Thus, a 10-percentage point increase in carcasses graded Choice or better would be realized by grading under the new system. The percentage of carcasses graded Standard using the new system would be 5 percent compared to the 1 percent realized from the application of the old standards. The number of carcasses graded Good was reduced from 41 percent to 26 percent, for a reduction of 15 percentage points in transferring to the new system.

Table 2—Distribution of Carcasses Within Level of Quality Grade for Old and New Quality Grades

Grade	Old		New	
	No.	%	No.	%
Prime				
High	—	—	12	1.1
Average	6	.5	14	1.3
Low	18	1.6	37	3.3
Choice				
High	69	6.2	87	7.8
Average	213	19.1	215	19.2
Low	341	30.5	395	35.4
Good				
High	210	18.8	129	11.5
Average	150	13.4	95	8.5
Low	93	8.3	64	5.7
Standard				
High	12	1.1	45	4.0
Average	4	.4	23	2.1
Low	1	.1	1	.1
Total	1,117	100.0	1,117	100.0

Table 3 shows the distribution of carcasses by breed of sire within level of quality grade under the 2 grading systems. Carcasses of steers from Jersey sires showed the greatest increase in number of carcasses graded Prime. This shift to Prime grade largely reflects removal of conformation score from the grading system, since Jersey carcasses generally have much lower conformation scores relative to their quality evaluation. The large reduction in the number of Jersey sired carcasses graded high Good (old *vs.* new) suggests that the Jersey sired carcasses also benefited by removal of the provisions in the old standards requiring increasing marbling levels with increasing maturity to maintain the same grade. The breed mean maturity value for Jersey indicated that these carcasses were the oldest physiologically. The breed group means for maturity were Jersey, 1.7; Simmental, 1.5; Angus, South Devon and Limousin, 1.4; Hereford, 1.3; and Charolais 1.2 (scale: 1 = A minus maturity; 2 = average A maturity; and 3 = A plus maturity).

Narrowing of the marbling requirements of the Good grade and removal of conformation contributed to the increased number of carcasses graded Standard for all breeds of sire but was especially evident for Hereford and the faster growing, later maturing Charolais, Simmental, and Limousin breeds. The greatest percentage increase in the number of carcasses graded Choice or better was observed for carcasses of steers from Jersey sires, while carcasses from Angus sired steers showed the least percentage increase (table 4). All breeds of sire groups exhibited an increase in the number of carcasses graded Prime, Choice, and Standard and a decrease in the number graded Good in going from the old to the new system. The percentage increase in carcasses graded Choice or better by breed of sire was Jersey 23 percent, Simmental 12 percent, South Devon 11 percent, Limousin 10 percent, Hereford 9 percent, Charolais 7 percent, and Angus 6 percent. The Charolais breed is a faster growing and later maturing breed than the Angus breed. But these 2 breeds showed the least advantage gain in percentage of carcasses

Table 3—Distribution of Carcasses by Breed of Sire Within Level of Quality Grade for Old and New Quality Grades

Grade	Breed of Sire													
	Hereford		Angus		Charolais		Jersey		South Devon		Simmental		Limousin	
	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
Prime														
High	—	—	—	2	—	4	—	6	—	—	—	—	—	—
Average	—	1	3	5	2	1	1	5	—	2	—	—	—	—
Low	2	4	8	12	6	3	1	10	—	5	1	2	—	1
Choice														
High	10	12	24	22	4	7	15	31	9	5	6	9	1	1
Average	31	30	50	50	30	31	35	36	23	24	28	28	16	16
Low	68	81	53	58	63	71	38	33	33	34	54	70	32	48
Good														
High	38	22	21	14	30	20	30	8	13	10	30	23	48	32
Average	17	15	17	9	24	17	9	2	9	6	29	10	45	36
Low	14	8	5	6	14	8	5	2	7	5	22	17	26	18
Standard														
High	2	8	1	4	1	9	—	1	—	2	3	8	5	13
Average	—	1	—	—	2	5	—	—	—	1	1	7	1	9
Low	—	—	—	—	1	1	—	—	—	—	—	—	—	—

Table 4—Percentage of Carcasses Grading Choice or Better for the Old and New Quality Grades

Sire Breed	Old	New
Hereford	61	70
Angus	76	82
Charolais	59	66
Jersey	67	90
South Devon	69	80
Simmental	51	63
Limousin	28	38
All Breeds	58	68

graded Choice or better. Angus sired and Charolais sired carcasses had mean marbling scores of 12.3 and 11.4 (10 = small minus, 11 = average small, and 12 = small plus amounts of marbling; small amounts of marbling are equivalent to low Choice quality) and, as stated above, mean maturity scores of 1.4 and 1.2, respectively. The Angus sired carcasses exhibited a marbling level sufficiently above minimum Choice requirements (old system) so that relatively fewer carcasses graded Good because of increased maturity. Although the marbling score for Charolais sired carcasses was lower than that for Angus sired carcasses, the marbling score was slightly above the minimum level required for Choice grade. Since the mean maturity score (1.2) for the Charolais sired carcasses indicated the relatively young physiological nature of these carcasses, maturity was relatively less important in the final distinction between Choice and Good grade. Conformation played a minimum role, because Angus and Charolais sired carcasses averaged high Choice conformation.

Feeding to ages beyond 424 days did not significantly change taste panel tenderness, flavor, juiciness, or overall acceptability scores (table 5). But between 424 and 491 days, percentage of fat trim increased 4 percent and percentage of retail product in the carcass decreased 3 percent. This represents a tremendous cost both to producer and consumer when cattle are fed longer, especially because a large percentage of feed is converted to fat as animals become older. Combining the quality and yield grades is a necessary step to shift the economic emphasis to carcass yield.

Table 5—Mean Values for Carcass Composition and Palatability for 494 Steers

Trait	Days of age		
	424	458	491
Marbling score	between slight plus and small minus	between average small and small plus	between average modest and modest plus
Fat trim, %[1]	18	20	22
Retail product, %[1]	69	67	66
Taste panel scores			
tenderness	7.4	7.2	7.2
flavor	7.5	7.5	7.5
juiciness	7.2	7.0	7.2
acceptability	7.3	7.3	7.3

[1] Fat trim and retail product as a % of carcass wt.

Study 2

The second study sheds some light on the new grade standards from another point of view. This study involved 150 crossbred steers of 2 biological types (large and small), 3 ration energy levels, and 2 slaughter dates. Angus-Hereford (AH) crossbreds represented the small type, and steers out of Charolais or Chianina (CC) sires and Angus or Hereford dams represented the large type.

The rations consisted primarily of corn silage, corn, and soybean meal. Low, medium, and high energy levels were obtained by feeding 60, 40, and 20 percent corn silage; 35, 55, and 75 percent corn, respectively. Each ration received 5 percent soybean supplement.

Calves were weaned at about 7 months of age, sorted by weight and breed, allotted at random to the experimental rations listed above, and fed in pens of five animals each. Ten of the 25 small-type steers in each ration were slaughtered at 196 days on feed and 15 at 232 days. Ten of the 25 large-type steers in each ration were slaughtered at 232 days on feed and 15 at 308 days.

The effect of the new grading standards on steer carcass grade distribution is summarized by breed type and ration energy level. Each steer carcass was graded under both the old and new standards. Numerical values were assigned for each one-third of a quality grade. Table 6 shows the number of steers in each breed group and feed ration which changed, up or down, to a different quality grade score after being graded under the new standards.

Of the 75 AH steers, 25 percent increased by one grade score (one-third of a grade), and 4 percent decreased under the new grades. Similarly, 28 percent of the CC steers increased, and 1 percent decreased in score (table 6). The largest percentage increase (44 percent) in one-third of a grade score occurred for the large-type steers on the medium energy ration.

Table 6 shows that 6 of 75 AH steers and 5 of 75 CC steers moved from Good to Choice when graded under the new, as opposed to the old, system. Only 2 jumped to the Prime grade, but 3 dropped from Good to Standard.

In table 7, results show where each steer fell when graded under the new and old systems. The table also summarizes steers in each breed type and feed ration as to average quality and yield

Table 6—Number of Steers Changing Quality Grade Scores When Graded Under Both the Old and New Standards, by Breed Group and Ration Energy Level

Change in Score[1] from:	Angus & Hereford sires			Total AH	Charolais & Chianina sires			Total CC
	Energy level[2]				Energy level[2]			
	Low	Medium	High		Low	Medium	High	
7 to 8	—	—	—	—	—	1	—	1
8 to 9	2	—	—	2	—	1	—	1
9 to 10	1	2	3	6	1	2	2	5
10 to 11	2	4	2	8	2	4	2	8
11 to 12	—	1	2	3	2	1	—	3
12 to 13	—	—	—	—	—	2	—	2
13 to 14	—	—	—	—	—	—	1	1
7 to 6	—	1	1	2	—	1	—	1
9 to 8	1	—	—	1	—	—	—	—
Total up	5	7	7	19	5	11	5	21
Total down	1	1	1	3	0	1	0	1
Total no change	19	17	17	53	20	13	20	53
Animals tested	25	25	25	75	25	25	25	75

[1] Grade scores were 8 = medium good, 9 = high good, 10 = low choice, etc. [2] Ration energy levels low, medium and high were 2.90, 3.05 or 3.17 Mcal of metabolizable energy per kg dry matter, respectively.

grade, percentage Choice and above, and hot carcass weight.

Steers of similar beginning weights, breed types, feed rations, and slaughter dates vary widely in quality grade. Most slaughter groups in this study spanned the range from low Good to high Choice. But the 15 AH steers fed the high energy ration and the 10 CC steers fed the medium energy ration (both groups slaughtered at 232 days on feed) varied in new quality grade from high Standard to low Prime. Part of this variation can be attributed to genetic variation in the parents, part to errors in quality grade determination, and part to characteristics of the individual steer and environmental conditions affecting him.

As compared to the old grading standards, the new standards resulted in only 0.2 to 0.3 units change in average quality grade score. And the effect was the same for all energy levels and both breed types (table 7).

But more importantly, the percentage of steers grading Choice and above jumped 8 percent and 7 percent for the small and large type, respectively, as a result of the new grading standard. (This compares to 10 percent reported in Study 1 for all animals or 7 percent for Charolais, 9 percent for Hereford, and 6 percent for Angus). Though this item was not subjected to analysis for statistical significance, it appears that the effect of the new grades is greater for the medium and high energy feed rations than for the low. This is the case for both breed types (table 7).

Steers in the Good grade were reduced from 35 percent to 24 percent in the small type and 24 percent to 16 percent in the large type as a result of the new grading standard. (This compares to 41 percent and 26 percent reported in Study 1). Some reduction in percentage of steers in the Good grade was observed in all energy levels for both breed types, though not in the same proportions (table 7).

General Conclusions

Steers in Study 1 averaged about 246 days on feed, or about 28 days longer than the AH steers and about 32 days shorter than the CC steers in Study 2. The feed ration energy level in Study 1 was slightly below the lowest energy level used in Study 2. Therefore, the average grade levels for the 2 experiments are different.

Several similarities were observed in the 2 experiments, however, as to the impact of the new grading standards: (1) The new grading standards increased the percentage of steers falling in the Standard, Choice, and Prime grades, but reduced the percentage in the Good grade. (2) The average quality grade score increased slightly under the new standard. (3) A large amount of variation in quality grades is apparent for animals of the same age and breed type fed the same ration. This spread across grades increases under the new grading system. (4) The palatability of rib steaks from young steer carcasses (observed in both studies, data not reported for Study 2) is very acceptable regardless of quality grade or quality grade system. But carcasses vary considerably in amount of fat trim and yield of edible meat. Mandatory inclusion of yield grade when quality grades are used may allow increased economic emphasis on lean content, the real value difference.

Table 7—Distribution of Steers Under the Old and New Grading Standards, Average Quality and Yield Grade, and Carcass Weight by Breed Group and Ration Energy Level

Breed group and ration energy level[1]	Quality grade									Average quality grade[2]	Percent Choice and above	Average yield grade	Average carcass weight
	Standard	Good			Choice			Prime					
	6	7	8	9	10	11	12	13	14				
	Number animals	*Number animals*	*Number animals*	*Number animals*	*Number animals*	*Number animals*	*Number animals*	*Number animals*	*Number animals*	*Score*	*Percent*	*Score*	*Pounds*
Angus & Hereford sires													
Low energy													
Old grade	—	3	10	3	7	2	—	—	—	9.3	36	3.36	665
New grade	—	3	9	3	6	4	—	—	—	9.5	40		
Medium energy													
Old grade	—	1	—	4	13	5	2	—	—	10.6	80	4.34	708
New grade	1	—	—	2	11	8	3	—	—	10.8	88		
High energy													
Old grade	—	1	—	4	5	9	5	1	—	11.1	80	4.37	739
New grade	1	—	—	1	5	10	7	1	—	11.4	92		
All AH sires													
Old grade	—	5	10	11	25	16	7	1	—	10.3	65	4.02	704
New grade	2	3	9	6	22	22	10	1	—	10.6	73		
Charolais & Chianina sires													
Low energy													
Old grade	—	2	2	2	11	6	1	1	—	10.5	76	2.88	866
New grade	—	2	2	1	10	6	3	1	—	10.7	80		
Medium energy													
Old grade	—	4	2	2	7	3	5	2	—	10.5	68	2.94	892
New grade	1	2	2	1	5	6	4	4	1	10.9	76		
High energy													
Old grade	—	—	2	2	12	6	2	1	—	10.8	84	3.20	911
New grade	—	—	2	—	11	9	2	—	1	11.0	92		
All CC sires													
Old grade	—	6	6	6	30	15	8	4	—	10.6	76	3.01	889
New grade	1	4	6	2	26	21	9	5	1	10.9	83		
All AH and CC													
Old grade	—	11	16	17	55	31	15	5	—	10.5	71	3.52	797
New grade	3	7	15	8	48	43	19	6	1	10.7	78		

[1] Low, medium and high energy levels represented 2.90, 3.05 and 3.17 Mcal of ME per kg dry matter or 60, 40 and 20 percent corn silage in the ration, respectively. [2] In averaging quality grade scores, we have assigned values at the midpoint of the grade score. i.e., if the steer's grade score is 10, we used 10.5 for averaging purposes.

LIST OF TABLES

Table *Page*

1 Beef supplies and prices 6
2 Corn belt cattle feeding 13
3 Pork supplies and prices 16
4 Corn belt hog feeding 21
5 Lamb supplies and prices 23
6 Per capita meat consumption 26
7 Expenditures per person and percent of income spent for red meat 27
8 Retail price of specified meat cuts 28
9 Beef and Pork Price Spreads 29
10 Number of livestock on farms and ranches January 1 30
11 Production, prices and income from wool, United States 30
12 Mohair: Production and value for 7 leading States 30
13 Meat subject to U.S. import quota restrictions 31
14 U.S. meat imports and exports and percentage comparisons 31
15 U.S. imports of livestock and livestock products 32
16 U.S. exports of livestock and livestock products 33
17 U.S. imports, exports, and net imports in relation to domestic production 34
18 Meat animals, meat and meat products: Value of United States imports and exports 35
19 U.S. imports of cattle from specified countries 35
20 Meat exports: U.S. exports and shipments by countries 36
21 Meat imports: United States, by countries 37

STANDARD SUMMARY TABLES

Supply and distribution of meat, by months 38
Selected price statistics for meat animals and meat 39
Selected marketings, slaughter and stocks statistics for meat animals and meat 40

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
AGR 101
FIRST CLASS

U.S.MAIL

NOTICE: If you don't want future issues of this ERS publication, check here ☐ and mail this sheet to the address below.

If your address should be changed, write your new address on this sheet and mail it to:

Automated Mailing List Section
Office of Plant and Operations
U.S. Department of Agriculture
Washington, D.C. 20250

LMS-208 APRIL 1976